

Town of Milton, Vermont
Annual Report



Fiscal Year ending
June 30, 2012

GENERAL INFORMATION

OFFICE HOURS

Town Manager's Office
Town Clerk / Treasurer's Office
Finance Office
Department of Planning & Economic Development
Public Works Office

Monday – Friday
8am – 5pm

Police Department

Monday – Friday
8am – 4pm

Lister's / Assessor's Office

Mon., Tues., Thurs. & Fri.
9am - 1pm
Wed. 9am - 3pm

Library

Mon., Wed., Thurs. 9am – 8pm
Tues., Fri. 9am – 5pm
Sat. 9am – 1pm

Recreation

Mon. – Thurs. 9am – 3pm
Fri. 9am – 12:30pm

DATES TO REMEMBER

Property Tax Due Dates
Water/Sewer Billing Due Dates
Annual Meeting (Voting)
Informational Meeting

September 15th, February 15th and May 15th
January, April, July and October
1st Tuesday of March
1st Monday of March (Evening)

***** PROPERTY TAXES ARE NOT MANDATORY UNTIL MAY 15TH *****

All current/delinquent property taxes and water/sewer assessments shall be paid at the Town Clerk's Office, 43 Bombardier Road, or mailed to P.O. Box 18, Milton, Vermont 05468.

All arrangements and agreements on delinquent property taxes and utility assessments shall be made through the Finance Office.

2012/2013 Tax rate

Town - \$.4386

Education-Residential \$ 1.1661

Non-residential \$ 1.3217

Grand List 2012 - \$10,967,942.31

MUNICIPAL OFFICES OBSERVE THE FOLLOWING HOLIDAYS:

New Year's Day
President's Day
Memorial Day
4th of July
Labor Day

Columbus Day
Veteran's Day
Thanksgiving Day
Day after Thanksgiving
Christmas Eve Day/Christmas Day

Town Website: www.milton.govoffice2.com

Recycling Bins are available at the Milton Drop off Center (Landfill Road). Hours of operation & additional information may be obtained by calling Chittenden Solid Waste District's hotline at 872-8111.

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TOWN ORGANIZATION INFORMATION

CONTACT...

FOR...

Town Clerk/Treasurer

Licenses, Vital Records, Real Estate Transactions, Election Information and Genealogy Research, Current /Delinquent Taxes, Utility Accounts, and Revenues

Town Manager

Budget Information, General Complaints, Personnel and Labor Relations, Road Commissioner, Selectboard Meetings

Planning & Economic Development

Building Permits, Address Information, Septic and Sign Permits, Certificates of Compliance and Zoning Violation, Enforcement Information, Subdivision Planning, Site Plans, Conservation Information, Impact Fees, Long Range Planning and Town Plan

Public Works Administration

Road, Water and Wastewater, Buildings & Grounds

Lister/Assessor's Office

Real Estate Appraisal, Property Information, Mapping and Property Records

Finance Department

Accounts Payable & Payroll (Town & School)
Delinquent Tax & Water Agreements

Police Department

Emergency Response, Safety Issues, Accident and Criminal Investigations, Patrol and Records

Fire/Rescue

Emergency Response and Fire Safety
Inspections/Information

Health Officer

Health Violations and Safety Issues

Animal Control

Domestic Animal Complaints and Questions

Recreation Department

Adult/Children Programs, Park and Field Usage, Recreation Information

Town & School Telephone Directory

Animal Control.....	893-2424
Assessor	893-4325
Buildings & Grounds.....	893-6030
Finance Department.....	893-6033
Fire Department (non-emergency)	891-8081
Health Officer	893-1186
Land Fill (Chittenden Solid Waster District).....	872-8111
Lister's Office.....	893-4325
Milton Elementary School.....	893-3215
Milton Jr. / Sr. High School.....	893-3230
Planning & Economic Development	893-1186
Police Department.....	893-2424
Pound Keeper	893-4297
Public Library.....	893-4644
Public Works	893-6030
Recreation Department	893-4922
Rescue (non-emergency).....	891-8091
Superintendant of Schools	893-3210
Town Clerk's Office	893-4111
Town Engineer	893-6030
Town Manager's Office	893-6655
Water and Sewer Department.....	893-6030

All Milton residents should dial "9 1 1" in an Emergency to reach Police, Fire or Rescue.
For all other calls, please dial the administrative number.

ELECTED OFFICIALS

		<u>Term Expires</u>
Moderator	Vacant	
Town Clerk/Treasurer	John P. Cushing	2015
Selectboard	Louis H. Mossey III, Chair	2013
	Todd Shepard (Resigned)	2013
	Pamela McKenna (Appointed)	2013
	John Bartlett	2013
	Darren Adams, Vice Chair	2014
	John Gifford, Clerk	2015
Board of Listers	Terri Sabens	2014
	Vacant	
	Vacant	
Town Grand Juror	Vacant	
Town Agent	Vacant	
Justices of the Peace Term begins February 2013	Robert Ashton	George Nelson
	Charles Barsalow	Mary Noble
	Kevin Endres	Tom Rowley
	Jane Fitzgerald	Brenda Steady
	Mary Ann Godin	Carroll Towne
	Reginald Godin	Donald Turner Jr.
	Ronald Hubert	Robin Woods-Brisson
	Jon Hughes	
Library Trustees	Veronica Valz	2013
	Tracey Hempstead	2014
	Jennifer Dooley	2015
	Gail Wixson	2016
	Tom Frank	2017
Champlain Water District Representative	George Nelson	2013
School Trustees	James Lyons	2013
	Reginald Godin	2013
	Douglas Stout, Chair	2014
	Eric Houghton, Clerk	2014
	Mary Knight, Vice Chair	2015

APPOINTED OFFICIALS

Animal Control	<i>Randall Barrows, Mary Griswold, Sean Carlson</i>
Assessor	<i>L. William Hinman II</i>
Champlain Water District Representative Alternate	<i>Roger Hunt</i>
Chittenden County Regional Planning Rep.	<i>Louis Mossey III</i>
Chittenden County Transportation Authority	<i>Brian Palaia Louis Mossey, III - Alternate</i>
Chittenden Solid Waste District Rep.	<i>Roger Hunt</i>
Fire Chief / Fire Warden	<i>Donald Turner Jr.</i>
Health Officers	<i>Taylor Newton, Roger Dickinson</i>
Librarian	<i>Scott Murphy</i>
Planning Director	<i>Katherine Sonnick</i>
Police Chief	<i>Brett Van Noordt</i>
Pound Keeper	<i>Walter & Betty Cross</i>
Public Works Director	<i>Craig Plumb</i>
Public Works Supervisor	<i>Dustin Keelty</i>
Recreation Coordinator	<i>Kym Duchesneau</i>
Rescue Chief	<i>Donald Turner Jr.</i>
School Business Manager	<i>Donald P. Johnson</i>
Superintendent of Schools	<i>John L. Barone Sr.</i>
Town Manager	<i>Brian Palaia</i>
Town Service Officer	<i>Taylor Newton</i>
Town/School Auditors	<i>Sullivan Powers & Co.</i>
Village Trust Fund Trustees	<i>John Lindsay, Sr. - 2012 Betty Thompson - 2013 John Sharrow - 2014</i>
Water/Wastewater Superintendent	<i>Roger Hunt</i>
Zoning Administrator	<i>Taylor Newton</i>

BOARDS & COMMISSIONS

TERM EXPIRES June 30

Planning Commission	Michael T. Raley, Jr	2012
	Gail Orr - Chair	2014
	Albert Russell	2014
	Lori Donna	2015
	Jessica Groeling (resigned)	2015
Development Review Board	David Conley, Clerk	2012
	Jessica Groeling, Alternate (resigned)	2012
	L. David Keelty, Alternate	2012
	Ron Harding, Vice Chairman	2012
	Bruce Jenkins	2013
	Clayton Forgan	2013
	John Jorschick Jr, Chair	2014
Conservation Commission	Laurie DiCesare	2012
	Laurie Brewster	2013
	Judith Kinner, Chair	2014
	Bonnie Pease	2015
Economic Dev. Business & Community Advisory Commission	Brian Palaia, Town Manager, Chair	
	John Barone, Superintendent of Schools	
	Louis Mossey III, Community Rep	2012
	Geoffrey Glaspie, Business Rep	2012
	Anthony Micklus, Business Rep.	2012
	Courtney Landon, Business Rep.	2012
	Michael T. Raley, Jr. Community Rep	2012
	Lori Donna, Community Rep.	2013
	Jeanne O'Bryan, Business Rep.	2013
	Andrew Bessy, Business Rep.	2014
Recreation Commission	Elizabeth Hoffmeister	2014
	Deborah Harkins	2013
	John Lindsay, Jr. - Chairman	2013
	Cynthia Dowling - Vice Chairman	2013
	James Walford	2012
	Matthew Tenny	2012

Contacts for Local, State & Federal Representatives

State House of Representatives	Chittenden 10	
	Donald Turner Jr	893-1419
	Ronald Hubert	893-1368
	Grand Isle-Chittenden	
	Mitzi Johnson	363-4448
	Robert Krebs	372-4567
State & Federal Officials	Governor Peter Shumlin	(800) 649-6825
	Senator Bernie Sanders	(202) 224-5141
	Senator Patrick Leahy	(202) 224-4242
	Representative Peter Welch	(202) 225-4115

ALL LEGISLATORS CAN BE REACHED DURING THE SESSION THROUGH THE SERGEANT OF ARMS

1-800-828-2228

*Town
Of
Milton*



*Town Information
&
Financial Statements*

Sullivan, Powers & Co.
CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL CORPORATION

77 Barre Street
P.O. Box 947
Montpelier, VT 05601
802/223-2352
802/223-3578 FAX

Fred Duplessis, CPA
Richard J. Brigham, CPA
Chad A. Hewitt, CPA
Wendy C. Gilwee, CPA
VT Lic. #92-000180

Independent Auditor's Report

Selectboard
Town of Milton, Vermont
43 Bombardier Road
Milton, Vermont 05468-3205

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Milton, Vermont as of and for the year ended June 30, 2012, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Town of Milton, Vermont's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in "Government Auditing Standards" issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

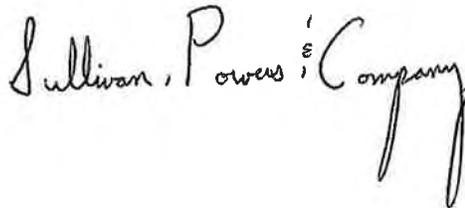
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Milton, Vermont, as of June 30, 2012, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3 through 9 and the budgetary comparison information presented as Schedules 1 through 3 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming our opinion on the financial statements that collectively comprise the Town of Milton, Vermont's basic financial statements. The combining fund schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. These schedules have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

In accordance with "Government Auditing Standards", we have also issued our report dated January 24, 2013 on our consideration of the Town of Milton, Vermont's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit conducted in accordance with "Government Auditing Standards" and should be considered in assessing the results of our audit.

January 24, 2013
Montpelier, Vermont
VT Lic. #92-000180

A handwritten signature in cursive script that reads "Sullivan, Powers & Company". The signature is written in dark ink and is positioned to the right of the typed text.

TOWN OF MILTON, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2012

Management's Discussion and Analysis

As management of the Town of Milton, Vermont, we offer readers of the Town's financial statements this narrative overview and analysis of its financial activities for the fiscal year ended June 30, 2012. We encourage readers to consider the information presented here in conjunction with the audited report.

Financial Highlights

The Town of Milton continues to operate with a positive General Fund fund balance and during FY2012 the Selectboard adopted a policy on fund balance so that it will be managed at an appropriate level and address for what purpose it may be used in the future. The Town also received \$465,000 in revenue from a refinance begun in FY2011 which make it appear as though the fund balance increased dramatically. However, when viewing the trend in fund balance from FY 2010, FY 2011 and FY 2012 one can see that the fund balance has only increased slightly over that time period.

A portion of the Town's assigned fund balance for Health Insurance Stabilization Fund increased by \$79,860. These funds represent the unused co-insurance funds budgeted for FY 2012. The Town will continue to assign unused funds to this balance to address and provide financial stability to the taxpayers to address health care reform at the State and Federal level; the effects of which are not known at this time.

At 2012 Town Meeting the voters approved the creation of a Road Restoration and Sidewalk Repair reserve to be funded with an initial ½ cent of tax levy. During fiscal year 2012 the Selectboard also approved a transfer of \$151,328 to this reserve for future use in finishing the Westford Road paving contract in FY 2013. The complete repaving of this road was rescheduled to allow for work to be completed on the Georgia Wind towers in order that our new repaving work would not be unduly worn or damaged during their construction period.

The Town collected impact fees during FY 2012 for use in accordance with its approved Capital Plan. The Town's impact fees are used to pay debt service costs for a 1998 school addition, its municipal building and fire station as well as for a portion of the costs associated with the construction of new sidewalks.

The Town had significant construction projects in progress during FY 2012, namely the Village Core Sewer Project and Kienle Road/Rugg Avenue/Route 7 Water Distribution System Improvements. The future indebtedness for these projects will be reflected in the Town's proprietary wastewater fund and water fund, respectively with the debt costs for the former project being repaid with tax increment financing revenues over a 20 year period.

TOWN OF MILTON, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2012

The Town's Tax Incremental Financing District funds continue to receive sufficient revenue to continue paying debt service obligations in the future. Further, balances have been sufficient to enable inter fund borrowing to address capital needs in the highway department and rescue department. These funds will be paid back to the Tax Incremental Financing District over time with interest instead of being paid to a third party lender; in this case, the taxpayers and not lender receive the benefit of the borrowing.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction of the Town of Milton's basic financial statements. The Town of Milton's basic financial statements comprise of three components: 1) government-wide financial statements, 2) fund-financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Town of Milton's finances in a manner similar to a private sector business. The Statement of Net Assets presents information on all of the Town of Milton's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Town of Milton is improving or deteriorating.

The Statement of Activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave). Both of the government-wide financial statements distinguish functions of the Town of Milton that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town of Milton include general government, public safety, public works, health and social services, recreation and parks, conservation and development, cultural and public improvements. The business-type activities of the Town of Milton include the water and wastewater operations.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Milton, like other state and local governments, use fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town of Milton can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

TOWN OF MILTON, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2012

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near term financing requirements.

Because the focus of government funds is narrower than that of the government wide financial statements, it is useful to compare the information presented for governmental activities in the government wide financial statements. By doing so, readers may better understand the long term impact of the government's near term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town of Milton maintains thirteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General Fund, the Tax Incremental Financing Fund and the Capital Reserve Fund which are considered to be major funds. Data from the other ten governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The Town of Milton adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with its budget.

Proprietary Funds

The Town of Milton maintains one type of proprietary fund. Enterprise Funds are used to report the same functions presented as business type activities in the government-wide financial statements. The Town of Milton uses Enterprise Funds to account for its Water fund and Sewer Fund.

TOWN OF MILTON, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2012

Proprietary funds provide the same type of information as the government wide financial statements only in more detail. The Proprietary fund financial statements provide separate information for the Water fund and the Sewer fund, each of which is considered to be a major fund of the Town of Milton.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government wide financial statements because the resources of those funds are not available to support the Town of Milton's own programs. The accounting used for Fiduciary funds is much like that used for Proprietary funds.

Notes to the Financial Statement

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. This report also presents certain supplementary information to provide additional financial information not included in the basic financial statements. This supplementary information includes combining statements for various funds and budgetary comparison statement for funds other than the Town's General fund, which is presented with the basic financial statements. The supplementary information can be found immediately following the notes to the financial statements in the report. As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. The financial reports show, assets exceeded liabilities by \$33,981,097 at the close of the fiscal year ending June 30, 2012. By far, the largest portion of the Town of Milton's net assets reflects its investment in capital assets of \$30,960,783 (e.g., land buildings and infrastructure) less any related debt used to acquire those assets that is still outstanding. The Town of Milton uses these capital assets to provide services to its citizens. Consequently, these assets are not available for future spending. Although the Town of Milton's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

TOWN OF MILTON, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2012

Due to a number of restatements to June 30, 2011, management has chosen not to present comparative data as it would not be relevant. Comparative data will be provided in the future.

NET ASSETS

	Governmental Activities 6/30/2012	Business Type Activities 6/30/2012	Totals 6/30/2012
<u>ASSETS</u>			
Current and other assets	\$ 4,501,601	\$ 335,111	\$ 4,836,712
Capital assets	<u>13,247,987</u>	<u>25,883,676</u>	<u>39,131,663</u>
Total Assets	<u>17,749,588</u>	<u>26,218,787</u>	<u>43,968,375</u>
<u>LIABILITIES</u>			
Other Liabilities	661,103	1,348,754	2,009,857
Long-term Liabilities Out.	<u>2,474,113</u>	<u>5,503,308</u>	<u>7,977,421</u>
Total Liabilities	<u>3,135,216</u>	<u>6,852,062</u>	<u>9,987,278</u>
<u>NET ASSETS</u>			
Invested in capital assets			
Not of related debt	10,937,622	20,023,161	30,960,783
Restricted	1,990,523	0	1,990,523
Unrestricted	<u>1,686,227</u>	<u>(656,436)</u>	<u>1,029,791</u>
Total Net Assets	<u>\$14,614,372</u>	<u>\$19,366,725</u>	<u>\$ 33,981,097</u>

SUMMARY STATEMENT OF ACTIVITIES

	Governmental Activities June 30, 2012	Business-type Activities June 30, 2012	Governmental Activities Totals June 30, 2012
<u>Revenues</u>			
Program Revenues			
Charges for services	\$ 623,376	\$ 1,303,989	\$ 1,927,365
Operating grants and Contributions	434,562	0	434,562
Capital Grants and contributions	197,851	0	197,851
General Revenues			
Property taxes	4,900,492	0	4,900,492
Unrestricted investments earnings	13,481	715	14,196
Other revenues	<u>163,353</u>	<u>0</u>	<u>163,353</u>
Total Revenues	<u>6,333,115</u>	<u>1,304,704</u>	<u>7,637,819</u>

TOWN OF MILTON, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2012

Expenses

Governmental activities			
General Government	\$ 1,310,295	\$ 0	\$ 1,310,295
Public Safety	2,103,748	0	2,103,748
Public Works	1,891,235	0	1,891,235
Culture and Recreation	349,135	0	349,135
Community Development	296,000	0	296,000
Interest on Long-term Debt	77,965	0	77,965
Business-type activities			
Water	0	805,215	805,215
Sewer	0	860,498	860,498
Total Expenses	<u>6,028,378</u>	<u>1,665,713</u>	<u>7,694,091</u>
Change in net assets before transfers	304,737	(361,009)	(56,272)
Transfers In/(Out)	<u>(274,418)</u>	<u>274,418</u>	<u>0</u>
Change in net assets	30,319	(86,591)	(56,272)
Net assets-Beginning of Year	<u>14,584,053</u>	<u>19,453,316</u>	<u>34,037,369</u>
Net assets-End of Year	<u>\$ 14,614,372</u>	<u>\$ 19,366,725</u>	<u>\$ 33,981,097</u>

SUMMARY OF CAPITAL ASSETS AND LONG TERM DEBT

Capital Assets

	Governmental Activities	Business Type Activities	Totals
	6/30/2012	6/30/2012	6/30/2012
Land	\$ 938,923	\$ 117,520	\$ 1,056,443
Construction in Progress	66,678	2,032,339	2,099,017
Land Improvements	55,942	0	55,942
Buildings & Improvements	3,469,552		3,469,552
Vehicles	890,034	0	890,034
Machinery & Equipment	236,443	0	236,443
Roads, Bridges, Sidewalks	7,590,415	0	7,590,415
Vehicles, Machinery, Equipment & Furniture	0	103,864	103,864
Distribution & Collection Systems	<u>0</u>	<u>23,629,953</u>	<u>23,629,953</u>
Capital Assets Net	<u>\$13,247,987</u>	<u>\$25,883,676</u>	<u>\$ 39,131,663</u>
Long Term Debt	<u>\$ 2,507,957</u>	<u>\$ 5,860,515</u>	<u>\$ 8,368,472</u>

TOWN OF MILTON, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2012

Governmental Activities

Governmental activities increase the Town of Milton's total net assets by \$30,319 during the current fiscal year.

Fund Balances/Net Assets

GASB Statement #34 as amended by GASB 54 requires fund balances reported on the governmental fund balance sheet to be classified using a hierarchy based primarily on the extent to which a government is bound to honor constraints on specific purposes for which amounts in those funds can be spent. For more information see Note IV.H of the Audit Report.

Governmental Funds

The focus of the Town of Milton's governmental funds is to provide information on near term inflows and balances of spendable resources. Such information is useful in assessing the Town of Milton's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. At the end of the current fiscal year, the Town of Milton's governmental funds reported a combined ending fund balance of \$3,750,957 this is an increase of \$656,169 in comparison to the prior year.

The General Fund budget for FY 2012 intended to deplete \$330,000 of fund balance, however, the General Fund actually had an actual increase of \$632,807 resulting in a favorable variance of \$962,807. The significant factors on the revenue side that caused this condition are that the Town received \$465,000 in proceeds from debt refinancing begun in the prior fiscal year. This was offset by a shortfall in tax revenues of \$13,628, a favorable variance of \$72,889 in police fees, a shortfall of \$59,696 in rescue fees, a shortfall of \$26,599 in recording fees, and a favorable variance of \$19,410 in planning and zoning fees resulting in a net favorable variance of \$432,571. On the expense side the significant factors that contributed to this condition are savings in regular salaries and health insurance (in part due to an early retirement incentive and staffing consolidations) that help save \$31,302 in the Town Manager's budget, \$15,313 in the Town Clerk/Treasurer's budget, and \$122,875 in the Highway budget. An additional \$80,869 was saved in the Administrative Services budget due the Town changing to a health insurance plan with a Health Reimbursement Account/Co-Insurance component. Additional savings were recognized in all department budgets from health insurance premium savings.

TOWN OF MILTON, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2012

Outlook

FY 2013 spending is proposed at \$6,463,674. This is a proposed spending increase of \$309,059 or 4.8%, from the FY 2012 budget. A small increase in the grandlist was estimated for FY 2013 of 0.5%, to \$10,902,084.58. The resulting tax levy for FY 2013 is proposed to be \$4,640,415. This is an increase of 4.1% from the current tax levy of \$4,452,662. The significant budget factors that contributed to an increased budget for FY 2013 were \$47,500 in budgeting for health insurance, \$49,400 in capital expenses for replacing rolling stock, \$39,630 in debt service costs for replacing an ambulance, and \$31,834 projected increases in fuel costs. Grandlist growth was more robust than anticipated and the grandlist for FY 2013 totaled \$10,974,251 resulting in a lower tax rate than anticipated. Voters also approved the creation of a capital reserve funds for FY 2013 for road and sidewalk restoration (a ½ cent tax rate levy) and for fire and rescue capital (a ¾ cent tax rate levy). The additional grandlist growth resulted in a lower tax rate increase than expected with a 1.05 cent increase instead of a 1.54 cent increase specific to supporting General Fund operations.

Requests for Information

This financial report is designed to provide a general overview of the Town's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Town Manager's Office at 43 Bombardier Road, Milton, VT 05468. This report is available online at www.milton.govoffice2.com.

TOWN OF MILTON, VERMONT
STATEMENT OF NET ASSETS
JUNE 30, 2012

	Governmental Activities	Business-type Activities	Total
<u>ASSETS</u>			
Cash and Cash Equivalents	\$ 3,592,453	\$ 53,790	\$ 3,646,243
Receivables (Net of Allowance for Uncollectibles)	660,688	453,601	1,114,289
Internal Balances	189,640	(189,640)	0
Prepaid Expenses	26,620	0	26,620
Inventory	32,200	17,360	49,560
Capital Assets			
Land	938,923	117,520	1,056,443
Construction in Progress	66,678	2,032,339	2,099,017
Other Capital Assets, (Net of Accumulated Depreciation)	<u>12,242,386</u>	<u>23,733,817</u>	<u>35,976,203</u>
Total Assets	<u>17,749,588</u>	<u>26,218,787</u>	<u>43,968,375</u>
<u>LIABILITIES</u>			
Accounts Payable	118,770	932,182	1,050,952
Accrued Payroll and Benefits Payable	142,105	10,152	152,257
Due To Others	56,423	0	56,423
Deferred Revenue	77,146	37,095	114,241
Accrued Interest Payable	5,917	2,444	8,361
Noncurrent Liabilities:			
Due within One Year	260,742	366,881	627,623
Due in More than One Year	<u>2,474,113</u>	<u>5,503,308</u>	<u>7,977,421</u>
Total Liabilities	<u>3,135,216</u>	<u>6,852,062</u>	<u>9,987,278</u>
<u>NET ASSETS</u>			
Invested in Capital Assets, Net of Related Debt	10,937,622	20,023,161	30,960,783
Restricted	1,990,523	0	1,990,523
Unrestricted/(Deficit)	<u>1,686,227</u>	<u>(656,436)</u>	<u>1,029,791</u>
Total Net Assets	<u>\$ 14,614,372</u>	<u>\$ 19,366,725</u>	<u>\$ 33,981,097</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF MILTON, VERMONT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012

	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Functions/Programs:							
Primary Government:							
Governmental Activities:							
General Government	\$ 1,310,295	\$ 392,726	\$ 51,224	\$ 4,850	\$ (861,495)	\$ 0	\$ (861,495)
Public Safety	2,103,748	169,634	150,234	4,036	(1,779,844)	0	(1,779,844)
Public Works	1,891,235	4,759	232,017	173,365	(1,481,094)	0	(1,481,094)
Culture and Recreation	349,135	56,257	1,087	15,600	(276,191)	0	(276,191)
Community Development	296,000	0	0	0	(296,000)	0	(296,000)
Interest on Long-term Debt	77,965	0	0	0	(77,965)	0	(77,965)
Total Governmental Activities	6,028,378	623,376	434,562	197,851	(4,772,589)	0	(4,772,589)
Business-Type Activities:							
Water	805,215	775,245	0	0	0	(29,970)	(29,970)
Sewer	860,498	528,744	0	0	0	(331,754)	(331,754)
Total Business-Type Activities	1,665,713	1,303,989	0	0	0	(361,724)	(361,724)
Total Primary Government	\$ 7,694,091	\$ 1,927,365	\$ 434,562	\$ 197,851	(4,772,589)	(361,724)	(5,134,313)
General Revenues:							
Property Taxes					4,824,261	0	4,824,261
Interest and Penalties on Delinquent Taxes					76,231	0	76,231
Unrestricted Investment Earnings					13,481	715	14,196
General State Grants					64,904	0	64,904
Impact Fees					98,389	0	98,389
Other Revenues					60	0	60
Transfers In/(Out)					(274,418)	274,418	0
Total General Revenues and Transfers In/(Out)					4,802,908	275,133	5,078,041
Change in Net Assets					30,319	(86,591)	(56,272)
Net Assets - July 1, 2011 - As Restated					14,584,053	19,453,316	34,037,369
Net Assets - June 30, 2012					\$ 14,614,372	\$ 19,366,725	\$ 33,981,097

The accompanying notes are an integral part of this financial statement.

TOWN OF MILTON, VERMONT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2012

	<u>General Fund</u>	<u>Tax Incremental Financing Fund</u>	<u>Capital Reserve Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash	\$ 1,696,189	\$ 1,174,757	\$ 193,728	\$ 527,779	\$ 3,592,453
Receivables (Net of Allowance for Uncollectibles)	532,974	0	24,509	103,205	660,688
Due from Other Funds	0	75,233	336,851	429,986	842,070
Advances to Other Funds	0	248,568	0	0	248,568
Prepaid Expenses	<u>26,620</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>26,620</u>
Total Assets	<u>\$ 2,255,783</u>	<u>\$ 1,498,558</u>	<u>\$ 555,088</u>	<u>\$ 1,060,970</u>	<u>\$ 5,370,399</u>
LIABILITIES					
Liabilities:					
Accounts Payable	\$ 98,807	\$ 0	\$ 18,037	\$ 1,926	\$ 118,770
Accrued Payroll and Benefits Payable	142,105	0	0	0	142,105
Due to Other Funds	536,777	0	0	115,653	652,430
Advances from Other Funds	0	0	248,568	0	248,568
Deferred Revenue	341,440	0	46,200	13,506	401,146
Due to Others	<u>20,110</u>	<u>0</u>	<u>0</u>	<u>36,313</u>	<u>56,423</u>
Total Liabilities	<u>1,139,239</u>	<u>0</u>	<u>312,805</u>	<u>167,398</u>	<u>1,619,442</u>
Fund Balances:					
Nonspendable	26,620	248,568	0	4,500	279,688
Restricted	6,309	1,249,990	197,592	481,156	1,935,047
Committed	0	0	0	162,182	162,182
Assigned	520,696	0	44,691	245,734	811,121
Unassigned	<u>562,919</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>562,919</u>
Total Fund Balances	<u>1,116,544</u>	<u>1,498,558</u>	<u>242,283</u>	<u>893,572</u>	<u>3,750,957</u>
Total Liabilities and Fund Balances	<u>\$ 2,255,783</u>	<u>\$ 1,498,558</u>	<u>\$ 555,088</u>	<u>\$ 1,060,970</u>	

Amounts Reported for Governmental Activities in the Statement of Net Assets are Different Because:

Capital Assets Used in Governmental Activities are not Financial Resources and, Therefore, are not Reported in the Funds.	13,247,987
Inventories are Reported in Governmental Activities Only.	32,200
Other Assets are not Available to Pay for Current-Period Expenditures, and, Therefore, are Deferred in the Funds.	324,000
Long-Term and Accrued Liabilities are not Due or Payable in the Current Period and, Therefore, are Not Reported in the Funds.	<u>(2,740,772)</u>
Net Assets of Governmental Activities	<u>\$ 14,614,372</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF MILTON, VERMONT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2012

	General Fund	Tax Incremental Financing Fund	Capital Reserve Fund	Other Governmental Funds	Total Governmental Funds
Revenues:					
Property Taxes	\$ 4,366,735	\$ 489,126	\$ 0	\$ 0	\$ 4,855,861
Penalties and Interest	76,231	0	0	0	76,231
Intergovernmental Revenues	712,096	0	21,140	231,525	964,761
Charges for Services	530,829	0	0	148,936	679,765
Investment Income	9,286	2,141	1,123	931	13,481
Licenses and Permits	60,579	0	0	0	60,579
Other Revenue	5,680	0	7,354	1,984	15,018
Total Revenues	5,761,436	491,267	29,617	383,376	6,665,696
Expenditures:					
Current:					
General Government	1,507,263	17,447	3,369	7,234	1,535,313
Public Safety	1,896,228	0	0	6,001	1,902,229
Highways and Streets	1,194,044	0	5,986	0	1,200,030
Culture and Recreation	317,395	0	0	2,368	319,763
Capital Outlay:					
General Government	1,345	0	13,751	899	15,995
Public Safety	14,111	0	274,388	31,056	319,555
Highways and Streets	94,389	0	194,658	162,501	451,548
Culture and Recreation	6,470	0	221,085	0	227,555
Debt Service:					
Principal	156,073	0	0	0	156,073
Interest	72,048	0	0	0	72,048
Total Expenditures	5,259,366	17,447	713,237	210,059	6,200,109
Excess/(Deficiency) of Revenues Over Expenditures	502,070	473,820	(683,620)	173,317	465,587
Other Financing Sources/(Uses):					
Proceeds of Long-Term Debt	465,000	0	0	0	465,000
Transfers In	47,485	0	257,184	164,515	469,184
Transfers Out	(381,748)	(311,458)	(2,911)	(47,485)	(743,602)
Total Other Financing Sources/(Uses)	130,737	(311,458)	254,273	117,030	190,582
Net Change in Fund Balances	632,807	162,362	(429,347)	290,347	656,169
Fund Balances - July 1, 2011, As Restated	483,737	1,336,196	671,630	603,225	3,094,788
Fund Balances - June 30, 2012	\$ 1,116,544	\$ 1,498,558	\$ 242,283	\$ 893,572	\$ 3,750,957

The accompanying notes are an integral part of this financial statement.

TOWN OF MILTON, VERMONT
 RECONCILIATION OF THE STATEMENT OF REVENUES,
 EXPENDITURES AND CHANGES IN FUND BALANCES OF
 GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2012

Amounts reported for governmental activities in the statement of activities (Exhibit B) are different because:

Net change in fund balances - total government funds (Exhibit D)	\$	656,169
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets (\$1,014,653) is allocated over their estimated useful lives and reported as depreciation expense (\$1,028,886). This is the amount by which capital outlays exceeded depreciation in the current period.		(14,233)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, loss on disposals and donations) is to increase net assets.		19,450
The issuance of long-term debt (\$465,000) (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt (\$156,073) consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. This amount is the net effect of these differences in the treatment of long-term debt and related items.		(308,927)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This amount reflects the decrease of deferred revenue over last year.		(81,600)
Inventories are not reported in governmental funds, however recording inventory in the Governmental Activities increases net assets.		32,200
Notes receivable written off do not affect governmental funds, where it does reduce income in governmental activities.		(310,228)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		<u>37,488</u>
Change in net assets of governmental activities (Exhibit B)	\$	<u><u>30,319</u></u>

The accompanying notes are an integral part of this financial statement.

TOWN OF MILTON, VERMONT
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2012

	Water Fund	Sewer Fund	Total
ASSETS			
Current Assets:			
Cash	\$ 0	\$ 53,790	\$ 53,790
Receivables (Net of Allowance for Uncollectible Accounts)	277,367	176,234	453,601
Due from Other Funds	0	223,311	223,311
Inventory	2,075	15,285	17,360
Total Current Assets	<u>279,442</u>	<u>468,620</u>	<u>748,062</u>
Noncurrent Assets:			
Capital Assets			
Land	39,400	78,120	117,520
Construction in Progress	419,524	1,612,815	2,032,339
Buildings, Distribution and Collection System and Improvements	7,337,910	20,152,463	27,490,373
Vehicles, Machinery and Equipment	112,788	215,085	327,873
Less Accumulated Depreciation	<u>(1,761,558)</u>	<u>(2,322,871)</u>	<u>(4,084,429)</u>
Total Noncurrent Assets	<u>6,148,064</u>	<u>19,735,612</u>	<u>25,883,676</u>
Total Assets	<u>\$ 6,427,506</u>	<u>\$ 20,204,232</u>	<u>\$ 26,631,738</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	\$ 216,269	\$ 715,913	\$ 932,182
Accrued Payroll	5,097	5,055	10,152
Due to Other Funds	412,951	0	412,951
Deferred Revenue	18,600	18,495	37,095
Accrued Interest Payable	2,444	0	2,444
Bonds Payable - Current Portion	<u>65,423</u>	<u>301,458</u>	<u>366,881</u>
Total Current Liabilities	<u>720,784</u>	<u>1,040,921</u>	<u>1,761,705</u>
Noncurrent Liabilities			
Compensated Absences Payable	4,837	4,837	9,674
Bonds Payable - Noncurrent Portion	<u>321,367</u>	<u>5,172,267</u>	<u>5,493,634</u>
Total Noncurrent Liabilities	<u>326,204</u>	<u>5,177,104</u>	<u>5,503,308</u>
Total Liabilities	<u>1,046,988</u>	<u>6,218,025</u>	<u>7,265,013</u>
NET ASSETS			
Invested in Capital Assets, Net of Related Debt Unrestricted/(Deficit)	5,761,274 <u>(380,756)</u>	14,261,887 <u>(275,680)</u>	20,023,161 <u>(656,436)</u>
Total Net Assets	<u>5,380,518</u>	<u>13,986,207</u>	<u>19,366,725</u>
Total Liabilities and Net Assets	<u>\$ 6,427,506</u>	<u>\$ 20,204,232</u>	<u>\$ 26,631,738</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF MILTON, VERMONT
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2012

	Water Fund	Sewer Fund	Total
Operating Revenues:			
Charges for Services	\$ 683,016	\$ 478,973	\$ 1,161,989
Hookup Fees	69,880	42,549	112,429
Penalties & Interest	12,609	6,355	18,964
Other Income	9,740	867	10,607
	<u>775,245</u>	<u>528,744</u>	<u>1,303,989</u>
Total Operating Revenues			
Operating Expenses:			
CWD Water Purchases	309,612	0	309,612
Salaries and Benefits	169,443	174,552	343,995
Administrative Fees	135,778	134,653	270,431
Utilities	16,857	98,065	114,922
Water Meters	11,043	7,362	18,405
Supplies	3,299	50,926	54,225
Printing and Advertising	2,874	38	2,912
Insurances	2,827	11,398	14,225
Technology	2,226	35,670	37,896
Machinery and Equipment	1,892	1,777	3,669
Telephone and Internet	1,269	3,325	4,594
Professional Development	1,259	852	2,111
Miscellaneous Expenses	1,251	6,974	8,225
Dues and Fees	1,096	1,531	2,627
Employee Uniforms	926	926	1,852
Repairs and Maintenance	684	30,392	31,076
Small Tools	333	279	612
Depreciation	98,823	219,701	318,524
	<u>761,492</u>	<u>778,421</u>	<u>1,539,913</u>
Total Operating Expenses			
Operating Income/(Loss)	<u>13,753</u>	<u>(249,677)</u>	<u>(235,924)</u>
Nonoperating Revenues (Expenses):			
Investment Income	647	68	715
Loss on Disposal of Equipment	(12,429)	(82,077)	(94,506)
Interest Expense	(31,294)	0	(31,294)
	<u>(43,076)</u>	<u>(82,009)</u>	<u>(125,085)</u>
Total Nonoperating Revenues (Expenses)			
Net Income/(Loss) Before Transfers In/(Out)	(29,323)	(331,686)	(361,009)
Transfers In	0	301,458	301,458
Transfers (Out)	(20,290)	(6,750)	(27,040)
Change in Net Assets	(49,613)	(36,978)	(86,591)
Net Assets - July 1, 2011 - As Restated	<u>5,430,131</u>	<u>14,023,185</u>	<u>19,453,316</u>
Net Assets - June 30, 2012	<u>\$ 5,380,518</u>	<u>\$ 13,986,207</u>	<u>\$ 19,366,725</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF MILTON, VERMONT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2012

	Water Fund	Sewer Fund	Total
Cash Flows From Operating Activities:			
Receipts from Customers and Users	\$ 741,809	\$ 519,615	\$ 1,261,424
Payments to Suppliers	(494,856)	(378,400)	(873,256)
Payments for Wages and Benefits	(167,606)	(172,933)	(340,539)
Other Receipts	9,740	867	10,607
Net Cash Provided/(Used) by Operating Activities	89,087	(30,851)	58,236
Cash Flows From Noncapital Financing Activities:			
(Decrease)/Increase in Due to Other Funds	238,826	0	238,826
Decrease/(Increase) in Due from Other Funds	0	161,451	161,451
Transfers from Other Funds	0	301,458	301,458
Transfers to Other Funds	(20,290)	(6,750)	(27,040)
Net Cash Provided by Noncapital Financing Activities	218,536	456,159	674,695
Cash Flows From Capital and Related Financing Activities:			
Acquisition and Construction of Capital Assets	(214,293)	(818,783)	(1,033,076)
Proceeds of Long-Term Debt	0	694,933	694,933
Principal Paid on:			
General Obligation Bonds	(62,394)	(301,458)	(363,852)
Interest Paid on:			
General Obligation Bonds	(31,583)	0	(31,583)
Net Cash Provided/(Used) by Capital and Related Financing Activities	(308,270)	(425,308)	(733,578)
Cash Flows From Investing Activities:			
Receipt of Interest & Dividends	647	68	715
Net Cash Provided by Investing Activities	647	68	715
Net Increase in Cash	0	68	68
Cash - July 1, 2011	0	53,722	53,722
Cash - June 30, 2012	\$ 0	\$ 53,790	\$ 53,790
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:			
Operating Income/(Loss)	13,753	(249,677)	(235,924)
Depreciation	98,823	219,701	318,524
(Increase)/Decrease in Receivables	(23,298)	(8,262)	(31,560)
(Increase)/Decrease in Inventory	(2,075)	(15,285)	(17,360)
Increase/(Decrease) in Accounts Payable	445	21,053	21,498
Increase/(Decrease) in Accrued Payroll	1,229	1,011	2,240
Increase/(Decrease) in Deferred Revenue	(398)	0	(398)
Increase/(Decrease) in Compensated Absences	608	608	1,216
Net Cash Provided/(Used) by Operating Activities	\$ 89,087	\$ (30,851)	\$ 58,236

Non-Cash/Supplemental Information:

\$189,631 of capital asset purchases for the Water Fund are included in accounts payable at June 30, 2012

\$662,446 of capital asset purchases for the Sewer fund are included in accounts payable at June 30, 2012

Capital assets with a cost of \$323,133 and accumulated depreciation of \$228,627 were disposed of during the year.

The accompanying notes are an integral part of this financial statement.

TOWN OF MILTON, VERMONT
 STATEMENT OF FIDUCIARY NET ASSETS
 JUNE 30, 2012

	Private Purpose Trust Fund
	Henry Beeman Trust Fund
<u>ASSETS</u>	
Cash	\$ 490
Total Assets	<u>490</u>
<u>LIABILITIES</u>	
Total Liabilities	<u>0</u>
<u>NET ASSETS</u>	
Held in Trust for:	
Individuals and Organizations	<u>490</u>
Total Net Assets	<u><u>\$ 490</u></u>

The accompanying notes are an integral part of this financial statement.

TOWN OF MILTON, VERMONT
 STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
 FOR THE YEAR ENDING JUNE 30, 2012

	Private Purpose Trust Fund
	Henry Beeman Trust Fund
Revenues:	
Investment Income	\$ <u>0</u>
Total Revenues	<u>0</u>
Expenditures:	
Total Expenditures	<u>0</u>
Change in Net Assets	0
Net Assets - July 1, 2011	<u>490</u>
Net Assets - June 30, 2012	<u><u>\$ 490</u></u>

The accompanying notes are an integral part of this financial statement.

TOWN OF MILTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2012

The Town of Milton, Vermont, (herein the "Town") operates under a Manager/Selectboard form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, health and social services, culture and recreation, community/economic development, public improvements, planning, zoning, water, sewer, and general administrative services.

The financial statements presented herein do not include agencies which have been formed under applicable state laws or separate and distinct units of government apart from the Town of Milton.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Milton (the "Town") conform to generally accepted accounting principles (GAAP) as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing accounting and financial reporting principles. The following is a summary of the more significant accounting policies employed in the preparation of these financial statements.

A. The Financial Reporting Entity

This report includes all of the funds of the Town of Milton, Vermont. The reporting entity consists of the primary government; organizations for which the primary government is financially accountable; and other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government. Based on these criteria, there are no other entities that should be combined with the financial statements of the Town.

B. Basis of Presentation

The accounts of the Town are organized and operated on the basis of fund accounting. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts which comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are spent and the means by which spending activities are controlled.

TOWN OF MILTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2012

The basic financial statements of the Town include both government-wide statements and fund financial statements. The focus of the government-wide statements is on reporting the operating results and financial position of the Town as a whole and present a longer-term view of the Town's finances. The focus of the fund financial statements is on reporting on the operating results and financial position of the most significant funds of the Town and present a shorter-term view of how operations were financed and what remains available for future spending.

Government-wide Statements: The statement of net assets and the statement of activities display information about the primary government, the Town. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of activities between funds. These statements distinguish between the governmental and business-type activities of the Town. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Town's governmental activities and for each segment of the Town's business-type activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function or program. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the Town's funds, including fiduciary funds. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The Town reports on the following major governmental funds:

General Fund – This is the Town's main operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

Tax Incremental Financing Fund – This fund accounts for taxes collected within the tax incremental financing district.

Capital Reserve Fund – This fund accounts for the general capital expenditures of the Town.

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The Town reports on the following major enterprise funds:

Water Fund – This fund accounts for the operations of the Water Department of the Town.

Sewer Fund – This fund accounts for the operations of the Wastewater Department of the Town.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

Additionally, the Town reports on the following fund type:

Private Purpose Trust Fund – This fund is used to report a trust arrangement under which resources are to be used for the benefit of individuals. All investment earnings and, in some cases, the principal of the fund can be spent.

C. Measurement Focus

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Government-wide and proprietary fund financial statements are reported using the economic resources measurement focus. This means that all assets and liabilities associated with the operation of these funds (whether current or noncurrent) are included on the balance sheet (or statement of net assets). Equity (i.e., net total assets) is segregated into invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. Operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

Governmental fund financial statements are reported using the current financial resources measurement focus. This means that only current assets and current liabilities are generally reported on their balance sheets. Their reported fund balances (net current assets) are considered a measure of available spendable resources, and are segregated into nonspendable; restricted; committed; assigned and unassigned amounts. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of available spendable resources during a period.

D. Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

TOWN OF MILTON, VERMONT
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The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred, regardless of when the related cash flow takes place. Nonexchange transactions, in which the Town gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. "Measurable" means the amount of the transaction can be determined, and "available" means the amount is collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Town considers all revenues reported in governmental funds to be available if the revenues are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, certain compensated absences and other long-term liabilities which are recognized when the obligations are expected to be liquidated or are funded with expendable available financial resources.

General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the Town funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the Town's policy to first apply cost-reimbursement grant resources to such programs, followed by general revenues. Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and other grant requirements have been met.

The government-wide and proprietary fund financial statements follow Financial Accounting Standards Board (FASB) Statements and Interpretations and Accounting Principles Board (APB) Opinions; and Accounting Research Bulletins, issued on or before November 30, 1989; unless those pronouncements conflict with GASB pronouncements. As permitted under Statement of Governmental Accounting Standards No. 20, the Town has elected not to apply FASB Statements issued after November 30, 1989.

E. Use of Estimates

The presentation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

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F. Assets, Liabilities and Equity

1. Cash

Cash balances of most Town funds are deposited with and invested by the Town Treasurer. The Town considers all short-term investments of ninety (90) days or less to be cash equivalents.

2. Investments

The Town invests in investments as allowed by State Statute. Investments with readily determinable fair values are reported at their fair values on the balance sheet. Unrealized gains and losses are included in revenue.

3. Receivables

Receivables are shown net of an allowance for uncollectible accounts for the estimated losses that will be incurred in the collection of the receivables. The estimated losses are based on the judgment of management and a review of the current status of existing receivables.

4. Internal Balances

Activity between funds that are representative of lending/borrowing arrangements that are outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion) or "Advances to/from Other Funds" (i.e., the noncurrent portion). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances". Cash balances deposited and invested by the Treasurer in a combined cash account are reported as "Due To/From Other Funds".

5. Inventories and Prepaid Expenses

Inventory quantities are determined by physical count and are valued at the lower of cost or market. Inventories in the Governmental Activities consist of materials and inventories in the Proprietary Funds consists of chemicals and materials.

Certain payments to vendors reflect costs that are applicable to future accounting periods and are recorded as prepaid expenses.

Inventories and prepaid expenses of governmental funds in the fund financial statements are offset by a nonspendable fund balance as they are not in spendable form.

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6. Capital Assets

Capital assets are reported at actual cost or estimated historical cost based on appraisals or deflated current replacement cost if purchased or constructed. Contributed assets are recorded at their estimated fair value at the time received. Major outlays for capital assets and improvements are capitalized as constructed. Interest incurred during the construction phase for proprietary fund capital assets is reflected in the capitalized value of the asset constructed, net of any interest earned on the invested proceeds during the same period. Interest is not capitalized during the construction phase of capital assets used in governmental activities. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' lives are not capitalized. Infrastructure assets are reported starting with fiscal year June 30, 2004. The Town has elected to not report major general infrastructure assets retroactively. The Town has not capitalized any interest costs.

Capital assets reported in the government-wide and proprietary fund financial statements are depreciated in order that the cost of these assets will be charged to expenses over their estimated service lives, generally using the straight-line method of calculating depreciation.

Capitalization thresholds (the dollar values above which asset acquisitions are added to the capital asset accounts) and estimated useful lives of capital assets are as follows:

	<u>Capitalization Threshold</u>	<u>Estimated Service Life</u>
Land	\$ 1,000	Not Depreciated
Land Improvements	5,000	25-50 Years
Buildings and Building Improvements	5,000	40-75 Years
Vehicles	5,000	4-15 Years
Machinery, Equipment and Furniture	1,000	8-20 Years
Roads, Bridges, and Sidewalks	5,000	30-75 Years
Water and Wastewater Distribution and and Collection Systems	5,000	30 - 100 Years

Capital assets are not reported in the governmental fund financial statements. Capital outlays in these funds are recorded as expenditures in the year they are acquired.

7. Compensated Absences

It is the Town's policy to permit employees to accumulate earned but unused vacation. The accrual for unused compensated absences time, based on current pay rates, is recorded in the government-wide and proprietary fund financial statements. The liability for unused compensated absences is not reported in the governmental fund type financial statements. Payments for unused compensated absences are recorded as expenditures in the year they are paid.

TOWN OF MILTON, VERMONT
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8. Long-term Liabilities

Long-term liabilities include bonds and notes payable and other obligations such as compensated absences. Long-term liabilities are reported in the government-wide and proprietary fund financial statements. Governmental fund financial statements do not include any long-term liabilities as those funds use the current financial resources measurement focus and only include current assets and liabilities on their balance sheets.

9. Fund Equity

Fund Balances and Retained Earnings are classified based upon any restrictions that have been placed on those balances or any tentative plans management may have made for those balances. Restrictions of Net Assets in the Governmental and Proprietary Fund type financial statements represent amounts that cannot be appropriated or are legally restricted for a specific purpose by a contract or other binding agreement.

Fund Balances of governmental fund type financial statements are classified as nonspendable (not in spendable form or legally required to remain intact); restricted (constraints on the use of resources are either externally imposed by creditors, grantors, or donors, or imposed by law through enabling legislation); committed (constraints on the use of resources are imposed by formal action of the voters); assigned (reflecting the Selectboard's intended use of the resources); and unassigned.

**II. EXPLANATION OF DIFFERENCES BETWEEN GOVERNMENTAL FUND
AND GOVERNMENT-WIDE STATEMENTS**

Governmental Fund financial statements are presented using the current financial resources measurement focus and the modified accrual basis of accounting, whereas government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. These differences in the measurement focus and basis of accounting lead to differences between the governmental fund financial statements and the government-wide financial statements as follows:

Long-term revenue differences arise because governmental funds report revenues only when they are considered "available", whereas government-wide statements report revenues when they are earned. Long-term expense differences arise because governmental funds report operating expenses (including interest) using the modified accrual basis of accounting, whereas government-wide statements report expenses using the accrual basis of accounting.

Capital-related differences arise because governmental funds report capital outlays as current period expenditures, whereas government-wide statements report depreciation as an expense. Further, governmental funds report the proceeds from the sale of capital assets as another financing source, whereas government-wide statements report the gain or loss from the sale of capital assets as revenue or expense.

Long-term debt transaction differences arise because governmental funds report bond proceeds as other financing sources and principal payments as expenditures, whereas government-wide statements report those transactions as increases and decreases in liabilities, respectively.

TOWN OF MILTON, VERMONT
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III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

The General, Water and Sewer Fund budgets are approved at the annual Town Meeting in March. The Town allows the Selectboard to approve adjustments from one line item to another within each fund, however, increases in total appropriations are not allowed without voter approval.

B. Budgeted Deficit

The Town budgeted a current year's deficiency in the General Fund and Sewer Fund of \$330,000 and \$31,946, respectively, in order to utilize a portion of the previous year's surpluses. These are reflected as a budgeted deficiency of revenues over expenditures in Schedules 1 and 3.

C. Restatement/Reclassification of Net Assets/Fund Balances

The net assets for the Governmental Activities/Business-Type Activities and Enterprise Funds were restated/reclassified as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>		
		<u>Water Fund</u>	<u>Wastewater Fund</u>	<u>Total</u>
Net Assets – June 30, 2011, As Originally Reported	\$13,937,430	\$2,287,288	\$ 7,999,873	\$10,287,161
Correction of Errors:				
Understatement of Capital Assets	671,955	3,142,843	6,023,312	9,166,155
Net Overstatement of Deferred Revenue	4,046	0	0	0
Understatement of Due to Others	(48,486)	0	0	0
Reclassifications:				
Reclassification of West Milton Cemetery Fund and Village of Milton Fund to Governmental Funds From Private Purpose Trust Funds	<u>19,108</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Assets – June 30, 2011, As Restated	<u>\$14,584,053</u>	<u>\$5,430,131</u>	<u>\$14,023,185</u>	<u>\$19,453,316</u>

The corrections for the Governmental Activities were the result of the understatement of capital assets, incorrect deferral of certain revenue and understating due to others. The effect of these corrections on the Governmental Activities Statement of Net Assets is to increase assets by \$671,955, increase liabilities by \$44,440 and increase net assets by \$627,515. The effect on the 2011 Statement of Activities is not known.

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The corrections for the Business-Type Activities/Enterprise Funds were the result of understating capital assets by \$9,166,155. The effect of these corrections on the Statement of Net Assets was to increase assets and net assets by \$9,166,155. The effect on the 2011 Statement of Activities is not known.

The effect on the Water Fund Statement of Net Assets was to increase assets and net assets by \$3,142,843. The effect on the 2011 Statement of Revenues, Expenses and Changes in Fund Net Assets is not known.

The effect on the Wastewater Fund Statement of Net Assets was to increase assets and net assets by \$6,023,312. The effect on the 2011 Statement of Revenues, Expenses and Changes in Fund Net Assets is not known.

The fund balances in the following funds were restated/reclassified as follows:

	<u>General Fund</u>	<u>Other Major Funds</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Fund Balances – June 30, 2011, As Originally Reported	\$ 538,825	\$2,007,826	\$649,094	\$3,195,745
Correction of Errors:				
Overstatement of Other Deferred Revenue	6,309	0	0	6,309
Understatement of Ambulance Deferred Revenue	(71,000)	0	0	(71,000)
Understatement of Other Deferred Revenue	0	0	(16,491)	(16,491)
Overstatement of Accrued Expenses-Compensated Absences	9,603	0	0	9,603
Understatement of Due to Others	0	0	(48,486)	(48,486)
Reclassifications:				
Reclassification of Village of Milton Fund and West Milton Cemetery Fund to Other Governmental Funds from Private Purpose Trust Funds	<u>0</u>	<u>0</u>	<u>19,108</u>	<u>19,108</u>
Fund Balances - June 30, 2011 As Restated/Reclassified	<u>\$ 483,737</u>	<u>\$2,007,826</u>	<u>\$603,225</u>	<u>\$3,094,788</u>

The corrections were the result of recording the incorrect amount of deferred revenues and due to others and for accruing compensated absences liability in the General Fund (this is a long-term liability that does not get reported in the Governmental Funds).

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The effect of these corrections on the General Fund Balance Sheet was that liabilities were understated by \$55,088 and fund balance was overstated by \$55,088. The effect on the 2011 Statement of Revenue, Expenditures and Changes in Fund Balance is not known.

The effect of the corrections in the other Governmental Funds was that liabilities were understated by \$64,977 and the fund balance was overstated by \$64,977. The effect on the 2011 Statements of Revenue, Expenditures and Changes in Fund Balance is not known.

IV. DETAILED NOTES ON ALL FUNDS

A. Cash

The Town's cash as of June 30, 2012 consisted of the following:

Cash:	
Cash on Hand	\$ 360
Cash with Financial Institutions	<u>3,646,373</u>
 Total Cash	 <u>\$3,646,733</u>

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of failure of the counter-party (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investments or collateral securities that are in possession of another party. The Town does not have any policy to limit the exposure to custodial credit risk. The following table shows the custodial credit risk of the Town's deposits.

	<u>Book Balance</u>	<u>Bank Balance</u>
FDIC Insured	\$ 267,226	\$ 266,814
Uninsured, Collateralized by U.S. Government Securities, Federal Agency Issued Mortgage Backed Securities and/or General Obligation Vermont Municipal Notes and Bonds Held by the Bank's Trust Department with a Security Interest Granted to the Town	<u>3,379,147</u>	<u>3,375,006</u>
 Total Cash Deposits	 <u>\$ 3,646,373</u>	 <u>\$ 3,641,820</u>

The difference between the book and the bank balance is due to reconciling items such as deposits in transit and outstanding checks.

TOWN OF MILTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
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B. Receivables

Receivables at June 30, 2012, as reported in the statement of net assets, net of applicable allowances for uncollectible accounts, are as follows:

	<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>	<u>Total</u>
Delinquent Taxes	\$ 391,054	\$ 0	\$ 391,054
Penalties and Interest	37,668	8,713	46,381
Ambulance Receivables	118,701	0	118,701
Accounts Receivable	80,551	385,314	465,865
Unbilled Receivables	0	46,000	46,000
Due from Other Governments	127,714	16,974	144,688
Allowance for Doubtful Accounts	<u>(95,000)</u>	<u>(3,400)</u>	<u>(98,400)</u>
	<u>\$ 660,688</u>	<u>\$ 453,601</u>	<u>\$ 1,114,289</u>

C. Loans Receivable

Loans Receivable at June 30, 2012 consists of the following:

Loan Receivable, Meadow Lane Housing Associates, LP, 0% Interest, Due June 1, 2035, Secured by Real Estate	\$ <u>296,000</u>
Total	296,000
Less: Allowance for Doubtful Loans Receivable	<u>(296,000)</u>
Reported Value at June 30, 2012	\$ <u>0</u>

TOWN OF MILTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
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D. Capital Assets

Capital asset activity for the year ended June 30, 2012 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital Assets, Not Being Depreciated:				
Land	\$ 938,923	\$ 0	\$ 0	\$ 938,923
Construction in Progress	35,688	30,990	0	66,678
Total Capital Assets, Not Being Depreciated	<u>974,611</u>	<u>30,990</u>	<u>0</u>	<u>1,005,601</u>
Capital Assets, Being Depreciated:				
Land Improvements	130,597	0	0	130,597
Buildings and Building Improvements	3,940,421	219,373	0	4,159,794
Vehicles	3,197,579	413,952	116,831	3,494,700
Machinery and Equipment	1,487,398	65,243	47,517	1,505,124
Roads, Bridges and Sidewalks	9,863,690	304,545	0	10,168,235
Totals	<u>18,619,685</u>	<u>1,003,113</u>	<u>164,348</u>	<u>19,458,450</u>
Less Accumulated Depreciation for:				
Land Improvements	70,299	4,356	0	74,655
Buildings and Building Improvements	622,860	67,382	0	690,242
Vehicles	2,475,741	245,756	116,831	2,604,666
Machinery and Equipment	1,247,968	68,230	47,517	1,268,681
Roads, Bridges and Sidewalks	1,934,658	643,162	0	2,577,820
Totals	<u>6,351,526</u>	<u>1,028,886</u>	<u>164,348</u>	<u>7,216,064</u>
Total Capital Assets, Being Depreciated	<u>12,268,159</u>	<u>(25,773)</u>	<u>0</u>	<u>12,242,386</u>
Governmental Activities Capital Assets, Net	<u>\$ 13,242,770</u>	<u>\$ 5,217</u>	<u>\$ 0</u>	<u>\$ 13,247,987</u>
	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities				
Capital Assets, Not Being Depreciated:				
Land	\$ 117,520	\$ 0	\$ 0	\$ 117,520
Construction in Progress	147,186	1,885,153	0	2,032,339
Total Capital Assets, Not Being Depreciated	<u>264,706</u>	<u>1,885,153</u>	<u>0</u>	<u>2,149,859</u>
Capital Assets, Being Depreciated:				
Vehicles, Machinery, Equipment and Furniture	526,079	0	198,206	327,873
Distribution and Collection Systems	27,615,300	0	124,927	27,490,373
Totals	<u>28,141,379</u>	<u>0</u>	<u>323,133</u>	<u>27,818,246</u>
Less Accumulated Depreciation for:				
Vehicles, Machinery, Equipment and Furniture	383,802	28,064	187,857	224,009
Distribution and Collection Systems	3,610,730	290,460	40,770	3,860,420
Totals	<u>3,994,532</u>	<u>318,524</u>	<u>228,627</u>	<u>4,084,429</u>
Total Capital Assets, Being Depreciated	<u>24,146,847</u>	<u>(318,524)</u>	<u>94,506</u>	<u>23,733,817</u>
Business-Type Activities Capital Assets, Net	<u>\$ 24,411,553</u>	<u>\$ 1,566,629</u>	<u>\$ 94,506</u>	<u>\$ 25,883,676</u>

TOWN OF MILTON, VERMONT
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Depreciation was charged as follows:

Governmental Activities:		Business - Type Activities:	
General Government	\$ 64,693	Water	\$ 98,823
Public Safety	186,779	Sewer	<u>219,701</u>
Highways and Streets	748,042		
Culture and Recreation	<u>29,372</u>		
 Total Depreciation Expense - Governmental Activities	 <u>\$ 1,028,886</u>	 Total Depreciation Expense - Business- Type Activities	 <u>\$ 318,524</u>

E. Interfund Balances and Activity

The composition of interfund balances at June 30, 2012 is as follows:

<u>Fund</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$ 0	\$ 536,777
Tax Incremental Financing Fund	75,233	0
Capital Reserve Fund	336,851	0
Other Governmental Funds	429,986	115,653
Water Fund	0	412,951
Sewer Fund	<u>223,311</u>	<u>0</u>
 Total	 <u>\$ 1,065,381</u>	 <u>\$ 1,065,381</u>

The composition of Advances To/From Other Funds at June 30, 2012 is as follows:

	<u>Advances to Other Funds</u>	<u>Advances from Other Funds</u>
Tax Incremental Financing Fund	\$ 248,568	\$ 0
Capital Reserve Fund	<u>0</u>	<u>248,568</u>
 Total	 <u>\$ 248,568</u>	 <u>\$ 248,568</u>

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The Advances To/From Other Funds will be repaid as follows:

Advance to Capital Reserve Fund for an Ambulance Purchase, Interest at 1.65%, Annual Principal and Interest Payments of \$36,751, Due 2017	\$175,000
Advance to Capital Reserve Fund for a Municipal Truck Purchase, Initial Loan was \$111,213, Interest at 1.65%, Annual Principal and Interest Payments of \$37,991, Due 2014	<u>73,568</u>
Total Advances to/from Other Funds	<u>\$248,568</u>

Subsequent to year end, the Tax Incremental Financing Fund advanced the Water Fund \$580,000 at 1.65% for financing of a new water distribution system.

Interfund transfers during the year ended June 30, 2012 were as follows:

Transfer From	Transfer To	Amount	Purpose
	Road/Sidewalk Restoration		
General Fund	Reserve Fund	\$ 151,328	Establish Reserve
General Fund	Capital Reserve Fund	230,420	Annual Subsidy
Tax Incremental Financing Fund	Capital Reserve Fund	10,000	Fund Debt Service
Tax Incremental Financing Fund	Sewer Fund	301,458	Fund Debt Service
Capital Reserve Fund	Bike Path Fund	2,911	Fund Deficit
Impact Fee Fund	General Fund	30,000	Fund Debt Service
Restoration of Records Fund	General Fund	17,485	Fund Restoration Expenses
Water Fund	Capital Reserve Fund	10,014	Fund Local Match
Water Fund	Grant Fund	10,276	Fund Local Match
Sewer Fund	Capital Reserve Fund	<u>6,750</u>	Fund Local Match
Total		<u>\$ 770,642</u>	

F. Deferred Revenue

Deferred Revenue in the General Fund consists of \$303,000 of delinquent property taxes and penalty and interest on those taxes and \$21,000 of ambulance receivables not collected within sixty (60) days after year-end as these would not be available to liquidate current liabilities, \$1,553 of fiscal year 2013 taxes collected in advance and \$15,887 of recreation fees collected in advance. The revenue will be recognized as delinquent taxes are collected and fiscal year 2013 taxes are billed and recreation programs conducted. Total Deferred Revenue in the General Fund is \$341,440.

Deferred Revenue in the Capital Reserve Fund consists of \$46,200 of monies advanced to the Town to assist in various projects. This money will be earned when the projects are completed.

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Deferred Revenue in the Other Governmental Funds consists of \$13,506 of grant revenue received in advance. This money will be earned when the grant expenditures are incurred. Total Deferred Revenue in the Other Governmental Funds is \$13,506.

Deferred Revenue in the Proprietary Funds of \$37,095 (\$18,600 in the Water Fund and \$18,495 in the Sewer Fund) represents hook-on fees received in advance. This revenue will be earned as customers hook onto the system.

G. Long-term Liabilities

General Obligation Bonds - The Town issues general obligation bonds to provide resources for the acquisition and construction of major capital facilities and to refund prior issues. General obligation bonds have been issued for both general governmental and proprietary activities. Bonds are reported in governmental activities if the debt is expected to be repaid from general governmental revenues and in business-type activities if the debt is expected to be repaid from proprietary fund revenues.

General obligation bonds are direct obligations and pledge the full faith and credit of the Town. New bonds generally are issued as 10 to 20 year bonds.

No-Interest Revolving Loans - The State of Vermont offers a number of no-interest revolving loan programs to utilize for predetermined purposes. The Town has borrowed money from the Vermont Special Environmental Revolving Loan Fund for sewer projects.

Compensated Absences - It is the policy of the Town of Milton to permit employees to accumulate earned but unused vacation benefits up to one hundred and sixty (160) hours unless more hours approved by the Town Manager. No liability is reported for unpaid accumulated sick leave because it is not a vested benefit. Compensated Absences are paid by the applicable fund where the employee is charged.

Landfill Post Closure Liability - State and Federal laws and regulations required the Town to close its landfill in 1991. These laws and regulations require the Town to perform certain maintenance and monitoring at the site through May 2013. The Town's estimated liability is \$6,300. This amount is based on what it would cost to perform all post closure care now. Actual costs may vary due to changes in the cost of living, changes in technology, changes in regulations or variances between estimated and actual amounts.

Severance Payments - During 2011, the Town agreed to offer an early retirement incentive package to eligible employees. A total of 5 employees took advantage of the offer. The total amount of severance payments was \$174,448. Each employee will receive 36 monthly payments. The balances due are as follows:

2013	\$ 58,148
2014	<u>56,610</u>
	<u>\$114,758</u>

TOWN OF MILTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2012

Changes in all long-term liabilities during the year were as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities					
General Obligation Bonds Payable	\$ 2,199,030	\$ 465,000	\$ 156,073	\$ 2,507,957	\$ 196,294
Compensated Absences	84,797 *	21,043	0	105,840	0
Severance Payable	172,906	0	58,148	114,758	58,148
Landfill Post-Closure	<u>12,600</u>	<u>0</u>	<u>6,300</u>	<u>6,300</u>	<u>6,300</u>
 Total Business-type Activities Long-Term Liabilities	 <u>\$ 2,469,333</u>	 <u>\$ 486,043</u>	 <u>\$ 220,521</u>	 <u>\$ 2,734,855</u>	 <u>\$ 260,742</u>
Business-type Activities					
General Obligation Bonds Payable	\$ 5,529,434	\$ 694,933	\$ 363,852	\$ 5,860,515	\$ 366,881
Compensated Absences	<u>8,458</u>	<u>1,216</u>	<u>0</u>	<u>9,674</u>	<u>0</u>
 Total Business-type Activities Long-Term Liabilities	 <u>\$ 5,537,892</u>	 <u>\$ 696,149</u>	 <u>\$ 363,852</u>	 <u>\$ 5,870,189</u>	 <u>\$ 366,881</u>

* As Restated - See Note III.C.

Long-term liabilities outstanding as of June 30, 2012 were as follows:

Bonds and Notes Payable:

Governmental Activities:

	<u>Beginning Balance July 1, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance June 30, 2012</u>
Bond Payable – Vermont Municipal Bond Bank, Municipal Building, Landfill Closure and Fire Truck, \$60,000 Principal Due Annually 2007 through 2015, then \$40,000 Annually through 2016, 5.32% Interest, Payable Semi-Annually on June 1 and December 1, Due December 1, 2015	\$ 280,000	\$ 0	\$ 60,000	\$ 220,000

TOWN OF MILTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2012

	<u>Beginning Balance July 1, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance June 30, 2012</u>
Bond Payable – State of Vermont Special Environmental Revolving Loan Fund, Storm Water Collection System on Main Street, Total Loan Amount Available was \$500,000 with a \$230,970 ARRA Subsidy, Term of Loan is Twenty (20) Years, Annual Payments of \$16,453, 0% Interest and a 2% Administrative Fee Commence June 1, 2012, Due June 1, 2031	\$ 269,030	\$ 0	\$ 11,073	\$ 257,957
Bond Payable – Vermont Municipal Bond Bank, Recovery Zone Economic Development Bond, Library Expenses and West Milton Road Construction, \$85,000 Principal Due Annually from 2011 Through 2020, then \$80,000 Annually through 2030, From Various Interest Rates Ranging from .777% to 3.564%, Payable Semi- Annually on June 1 and December 1, Due December 1, 2030	1,650,000	0	85,000	1,565,000
Bond Payable – Vermont Municipal Bond Bank, Fire Station, \$40,000 Principal Due Annually Beginning December 1, 2012 through 2023, Various Interest Rates Ranging from .804% to 3.844% Payable Semi-Annually on May 15 and November 15, Due December 1, 2012	<u>0</u>	<u>465,000</u>	<u>0</u>	<u>465,000</u>
Total Governmental Activities	<u>\$2,199,030</u>	<u>\$ 465,000</u>	<u>\$ 156,073</u>	<u>\$2,507,957</u>

TOWN OF MILTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2012

	<u>Beginning Balance July 1, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance June 30, 2012</u>
<u>Business-Type Activities</u>				
Bond Payable – Vermont Municipal Bond Bank, Water Improvements, \$25,000 Due Annually on December 1 through 2012, 6.19% Interest Payable Semi-Annually on June 1 and December 1, Due December 1, 2012	\$ 50,000	\$ 0	\$ 25,000	\$ 25,000
Bond Payable – Vermont Municipal Bond Bank, Water Improvements, Annual Principal Payments Ranging From \$12,511 to \$64,503 on December 1 through 2018, 7.62%, Interest Payable Semi-Annually on June 1 and December 1, Due December 1, 2018	399,184	0	37,394	361,790
Bond Payable – State of Vermont Special Environmental Revolving Loan Fund for Sewer Upgrade, 0% Interest, Annual Payments of \$258,208 Beginning April 1, 2009 through April 1, 2028 Due April 1, 2028	4,647,750	0	258,208	4,389,542

TOWN OF MILTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2012

	<u>Beginning Balance July 1, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance June 30, 2012</u>
Bond Payable – State of Vermont Special Environmental Revolving Loan Fund, Sewer Upgrade, 0% Interest, Annual Payments of \$43,250 Beginning October 1, 2001 through October 1, 2020	\$ 432,500	\$ 0	\$ 43,250	\$ 389,250
Bond Payable – State of Vermont Special Environmental Revolving Loan Fund, Village Core Sewer Improvements, 0% Interest and a 2% Administrative Fee, Authorized Borrowing up to \$3,250,000 However Bond Amount is \$3,092,000, and Eligible for a 15% (\$463,835) Grant Subsidy, \$160,758 Due Annually Beginning on September 1, 2014 through 2033	<u>0</u>	<u>694,933</u>	<u>0</u>	<u>694,933</u>
Total Business-Type Activities	<u>\$5,529,434</u>	<u>\$ 694,933</u>	<u>\$ 363,852</u>	<u>\$5,860,515</u>

Maturities of bonds payable are as follows:

<u>Year Ending June 30</u>	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2013	\$ 196,294	\$ 68,700	\$ 366,881	\$ 26,964
2014	196,520	63,608	453,341	75,498
2015	196,750	58,214	459,044	69,854
2016	176,985	53,082	465,077	63,885
2017	137,225	49,393	471,464	57,567
2018-2022	684,891	196,584	1,837,247	94,656
2023-2027	536,645	102,969	1,291,040	0
2028-2032	<u>382,647</u>	<u>25,861</u>	<u>516,421</u>	<u>0</u>
Total	<u>\$ 2,507,957</u>	<u>\$ 618,411</u>	<u>\$ 5,860,515</u>	<u>\$ 388,424</u>

TOWN OF MILTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2012

H. Fund Balances/Net Assets

GASB Statement No. 34, as amended by GASB Statement No. 54, requires fund balances reported on the governmental fund balance sheet to be classified using a hierarchy based primarily on the extent to which a government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Governmental fund balances are to be classified as: nonspendable (not in spendable form or legally required to remain intact); restricted (constraints on the use of resources are either externally imposed by creditors, grantors or donors, or imposed by law through enabling legislation); committed (constraints on the use of resources are imposed by formal action of the voters); assigned (reflecting the Selectboard's intended use of the resources); and unassigned.

Special revenue funds are created only to report a revenue source (or sources) that is restricted or committed to a specified purpose, and that the revenue source should constitute a substantial portion of the resources reported in that fund. Special revenue funds cannot be used to accumulate funds that are not restricted or committed. These amounts will have to be reflected in the General Fund.

Amounts constrained to stabilization (rainy-day funds) will be reported as restricted or committed fund balance in the General Fund if they meet the other criteria for those classifications. However, stabilization is regarded as a specified purpose only if the circumstances or conditions that signal the need for stabilization (a) are identified in sufficient detail and (b) are not expected to occur routinely. The Town does not have any stabilization arrangements.

Some governments create stabilization-like arrangements by establishing formal minimum fund balance policies. The Town has established a policy to maintain a minimum unassigned fund balance of approximately 10% of the budget.

When expenditures are incurred for purposes for which both restricted and unrestricted amounts are available, it is the Town's policy to first consider restricted amounts to have been spent, followed by committed, assigned, and finally unassigned amounts.

The purpose for each major special revenue fund, including which specific revenues and other resources are authorized to be reported in each, are described in the following section.

TOWN OF MILTON, VERMONT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2012

Restricted Net Assets – Governmental Activities:

The restricted net assets of the Town as of June 30, 2012 consisted of the following:

Governmental Activities:

Restricted for Tax Incremental Financing Debt	
By Statute	\$1,498,558
Restricted for Impact Fees by Ordinance	316,574
Restricted for Restoration of Records by Ordinance	140,414
Restricted for Drug Forfeiture by Agreement	10,286
Restricted for Milton Public Library for Grant Agreement	11,227
Restricted for West Milton Cemetery by Donations	7,155
Restricted for Milton Village Fire Department	
Equipment by Donations	5,783
Restricted for Riley Fund Expenses by Donation	<u>526</u>
Total Restricted Net Assets	<u>\$1,990,523</u>

The fund balances in the following funds are nonspendable as follows:

Major Funds:

General Fund:

Nonspendable General Fund Prepaid Expenses	\$ 26,620
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Tax Incremental Financing Fund:

Nonspendable Advances to Other Funds	248,568
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Other Governmental Funds:

West Milton Cemetery Fund – Non-Spendable Portion (Estimated)	<u>4,500</u>
Total Nonspendable Fund Balances	<u>\$ 279,688</u>

The fund balances in the following funds are restricted as follows:

Major Funds:

General Fund:

Restricted for Milton Village Fire Department Equipment	
by Donations	5,783
Restricted for Riley Fund Expenses by Donation	<u>526</u>
Total General Fund	<u>6,309</u>

TOWN OF MILTON, VERMONT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2012

Tax Incremental Financing Fund:

Restricted for Tax Incremental Financing Debt by Statute	<u>\$1,249,990</u>
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Capital Reserve Fund:

Restricted for Debt Service Reserve by Debt Proceeds	<u>197,592</u>
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Non-Major Funds:

Restricted Impact Fees by Ordinance	316,574
Restricted for Restoration of Records by Ordinance	140,414
Restricted for Drug Forfeiture Expenses by Agreement	10,286
Restricted for Milton Public Library by Grant Agreement	11,227
Restricted for West Milton Cemetery by Donations	<u>2,655</u>

Total Non-Major Funds	<u>481,156</u>
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Total Restricted Fund Balances	<u>\$1,935,047</u>
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The fund balances of the following funds are committed as follows:

Non-Major Funds:

Committed for Village of Milton Expenses by Voters	\$ 10,854
Committed for Road/Sidewalk Restoration Expenses by Voters	<u>151,328</u>

Total Committed Fund Balances	<u>\$ 162,182</u>
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The fund balances of the following funds are assigned as follows:

Major Funds:

General Fund:

Assigned to Reduce Taxes Raised in Fiscal Year 2013	\$347,500
Assigned for Future Health Insurance Costs	101,721
Assigned for Emergency Medical Services	<u>71,475</u>

Total General Fund	<u>520,696</u>
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TOWN OF MILTON, VERMONT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2012

Total payroll for the year was \$2,662,526 while covered payroll was \$2,297,260. Pension expense for the year ending June 30, 2012, 2011, and 2010 was \$148,638, \$157,174, and \$142,761, respectively.

Additional information regarding the State of Vermont Municipal Employees' Retirement Plan is available upon request from the State of Vermont.

The Town also offers its employees two (2) deferred compensation plans through the International City/County Management's Association's "ICMA" Retirement Corporation and Allmerica Financial in accordance with Internal Revenue Code Section 457. The plans permit employees to defer a portion of their salary until future years. Deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. The Town has no liability for losses under this plan but does have the duty of due care that would be required of an ordinary prudent investor. All of the investments are self directed by each employee. The Town contributed \$4,740 for the Town Manager and \$750 for one other employee during the year ended June 30, 2012.

B. PROPERTY TAXES

Property taxes are levied by August 15 and are due in equal payments on September 15, February 15 and May 15. All unpaid taxes become delinquent on May 16. Interest is assessed at 1% per month and an 8% penalty is assessed when the taxes become delinquent. The Town bills and collects its own property taxes as well as education taxes for the State. Town property tax revenues are recognized when levied. For the year ended June 30, 2012, the tax rate is as follows:

	<u>Homestead</u>	<u>Non-Residential</u>
Municipal	\$.4105	\$.4105
Local Agreement	.0025	.0025
Education	<u>1.1079</u>	<u>1.3226</u>
 Total	 <u>\$1.5209</u>	 <u>\$ 1.7356</u>

C. RISK MANAGEMENT

The Town of Milton is expose to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town of Milton maintains insurance coverage through the Vermont League of Cities and Towns Property and Casualty Intermunicipal Fund, Inc. covering each of those risk of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Town of Milton. Settled claims have not exceeded this coverage in any of the past three fiscal years. The Town must remain a member for a minimum of one year and may withdraw from the Fund after that time by giving sixty days notice. Fund underwriting and rate setting policies have been established after consultation with actuaries. Fund members are subject to a supplemental assessment in the event of deficiencies. If the assets of the Fund were to be exhausted, members would be responsible for the Fund's liabilities.

TOWN OF MILTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2012

The Town has elected to pay actual unemployment claims instead of enrolling in an unemployment insurance program. No liabilities have been accrued as the Town is not able to make an estimate as to any future costs. The Town paid \$5,610 in unemployment claims during fiscal year 2012.

D. TAX INCREMENT FINANCING DISTRICTS

The Town established two Tax Increment Financing (TIF) Districts on March 30, 1998, the Husky TIF District and the Catamount TIF District which were approved by the Vermont Economic Progress Council (VEPC) on November 19, 1998. In 2011, these two TIF Districts were allowed to be treated as a single District, the North/South TIF District by the legislature. In April, 2008, the Town created another TIF District, the Milton Town Core TIF District which VEPC approved in 2008. In April 2011, VEPC approved the TIF District Financing Plan and the District was activated at 2011 Town Meeting.

TIF Districts will allow the Town to undertake and pay for infrastructure improvements that will allow for increased economic and community development. The Town cannot begin any TIF projects unless a debt ceiling is in place. The Town may adjust its debt ceiling through debt related ballot items for TIF projects. Milton specific legislation allows Milton to approve debt ceilings incrementally. All TIF District debt will be secured only by the TIF District revenues. With a TIF District, the value of properties within the District are frozen at the time the District is created. All property taxes generated by the original base continue to go to the municipal General Fund and the State Education Fund. For twenty (20) years, the municipal and education property taxes generated by any new development are shared with up to 75% going to finance TIF District infrastructure debt and 25% going to the municipal General Fund and State Education Fund.

E. CONTINGENT LIABILITIES

The Town is a participating member in the Chittenden Solid Waste District (CSWD) and Champlain Water District (CWD). The Town could be subject to a portion of these entities debt if these entities experience financial problems.

The Vermont Office of the State Auditor audited the first two of the Town's TIF Districts under a legislative directive and released its report in January, 2012. This was the State's first audit of the Vermont TIF Districts and it went back to their inception. These two TIF Districts, the Catamount and the Husky, were allowed to be treated as a single District, the North/South TIF Districts, by the legislature in 2011. The Town was the one of four municipalities that the State audited. As with the other municipalities, the Auditor found instances of alleged statutory noncompliance which could affect the operation of the Districts in future years. The Auditor also asserted that the Town has underpaid the State Education Fund \$3.4 million since inception. The Town disagrees with substantially all of the Auditor's findings and does not believe it will have to repay the State Education Fund. No claim for repayment, recoupment or offset has been asserted by the State. If the State were to require repayment, the Town possesses sound and meritorious defenses against any such claims, and would vigorously assert the same in any recovery action.

TOWN OF MILTON, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2012

The Town participates in a number of federally assisted and state grant programs that are subject to audits by the grantors or their representatives. Accordingly, compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the Town expects such amounts, if any, to be immaterial.

F. SUBSEQUENT EVENTS

Subsequent to year end, the Town secured a Bond Payable from the State of Vermont Special Environmental Revolving Loan Fund to fund a preliminary engineering study regarding the Town's sewer system. The Town borrowed \$6,400 at 0% interest with \$1,280 due annually beginning March 1, 2017 through 2021.

G. COMMITMENTS

The Town has several commitments for construction projects that have been approved by the voters.

H. AUTHORIZED DEBT

At the March 2012 Town Meeting, the voters approved bonding for the following projects/purchases:

Tower Truck	\$450,000
Route 7/Railroad Street/Middle Road Intersection	\$800,000
Village Core Sewer Project Completion	\$395,000
Water Distribution System Improvement	\$580,000

The only amounts borrowed subsequent to year end is the \$580,000 for the water distribution system improvements. This was borrowed as an interfund loan from the Tax Incremental Financing Fund.

The \$395,000 for the Village Core Sewer Project completion will be borrowed through an amendment to the \$3,092,500 bond from the State of Vermont Special Environmental Revolving Loan fund.

I. CONCENTRATION OF EXPENSES

The Town purchased all of their water from Champlain Water district "CWD" for the year ended June 30, 2012. The Town purchased \$309,612 of water from CWD.

TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2012

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Revenue:				
Property Taxes:				
Taxes	\$ 4,383,609	\$ 4,383,609	\$ 4,366,735	\$ (16,874)
Railroad Taxes	1,315	1,315	1,505	190
State Land Taxes	16,399	16,399	16,399	0
Use Value Hold Harmless	41,600	41,600	44,064	2,464
Penalty on Late HS-122	500	500	0	(500)
School Tax Collection Fee	22,500	22,500	23,592	1,092
Total Property Taxes	<u>4,465,923</u>	<u>4,465,923</u>	<u>4,452,295</u>	<u>(13,628)</u>
FEMA Aid:				
FEMA Contract	<u>0</u>	<u>0</u>	<u>11,233</u>	<u>11,233</u>
Total FEMA Aid	<u>0</u>	<u>0</u>	<u>11,233</u>	<u>11,233</u>
Interest/Penalty Delinquent Tax:				
Interest on Delinquent Tax	35,000	35,000	26,362	(8,638)
Penalties on Delinquent Taxes	<u>53,000</u>	<u>53,000</u>	<u>49,869</u>	<u>(3,131)</u>
Total Interest/Penalty Delinquent Tax	<u>88,000</u>	<u>88,000</u>	<u>76,231</u>	<u>(11,769)</u>
Miscellaneous Revenue:				
State Land PILOT	3,200	3,200	2,936	(264)
VLCT Health and Trust Wellness	9,300	9,300	0	(9,300)
VLCT PACIF Leadership	<u>2,700</u>	<u>2,700</u>	<u>2,681</u>	<u>(19)</u>
Total Miscellaneous Revenue	<u>15,200</u>	<u>15,200</u>	<u>5,617</u>	<u>(9,583)</u>
License Revenue:				
Fish and Wildlife License Fees	600	600	898	298
Motor Vehicle Renewal	3,500	3,500	2,466	(1,034)
Dog Licenses	<u>4,500</u>	<u>4,500</u>	<u>3,804</u>	<u>(696)</u>
Total License Revenue	<u>8,600</u>	<u>8,600</u>	<u>7,168</u>	<u>(1,432)</u>
Reimbursement Revenue:				
School's Share Finance	138,826	138,826	134,372	(4,454)
Water/Sewer Administration Reimbursement	270,431	270,431	270,431	0
School Share Elections	<u>1,500</u>	<u>1,500</u>	<u>2,076</u>	<u>576</u>
Total Reimbursement Revenue	<u>410,757</u>	<u>410,757</u>	<u>406,879</u>	<u>(3,878)</u>
Library Fees:				
Library Fees	35	35	1,066	1,031
Library Donation	<u>2,369</u>	<u>2,369</u>	<u>0</u>	<u>(2,369)</u>
Total Library Fees	<u>2,404</u>	<u>2,404</u>	<u>1,066</u>	<u>(1,338)</u>

See Disclaimer in Accompanying Independent Auditor's Report.

TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2012

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Revenue/(Cont'd):				
Recording Fees:				
Recording Fees	\$ 125,000	\$ 125,000	\$ 109,916	\$ (15,084)
Passport Revenue	6,000	6,000	0	(6,000)
Operating Transfer In - Restoration of Records	18,000	18,000	17,485	(515)
Transfer In - Other	5,000	5,000	0	(5,000)
Total Recording Fees	<u>154,000</u>	<u>154,000</u>	<u>127,401</u>	<u>(26,599)</u>
Listers Fees:				
Listers Fees	100	100	210	110
Appraisal Fees	1,076	1,076	0	(1,076)
Lister's Education	600	600	427	(173)
Total Listers Fees	<u>1,776</u>	<u>1,776</u>	<u>637</u>	<u>(1,139)</u>
Interest:				
Interest on Investments	<u>20,000</u>	<u>20,000</u>	<u>9,273</u>	<u>(10,727)</u>
Total Interest	<u>20,000</u>	<u>20,000</u>	<u>9,273</u>	<u>(10,727)</u>
Miscellaneous Income:				
Other Financing Sources	<u>2,500</u>	<u>2,500</u>	<u>63</u>	<u>(2,437)</u>
Total Miscellaneous Income	<u>2,500</u>	<u>2,500</u>	<u>63</u>	<u>(2,437)</u>
Operating Transfer In:				
Operating Transfer In - Impact Fee Fund	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>	<u>0</u>
Total Operating Transfer In	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>	<u>0</u>
Proceeds of Long-Term Debt	<u>0</u>	<u>0</u>	<u>465,000</u>	<u>465,000</u>
Police Fees:				
Police Fines and Costs	47,500	47,500	27,170	(20,330)
Police Fees	2,600	2,600	2,865	265
Police Contracts	20,000	20,000	77,464	57,464
Hallistic Vests Grant	0	0	937	937
CDIP Grant	0	0	3,099	3,099
Police Donations	200	200	0	(200)
COPS Grant	0	0	31,654	31,654
Total Police Fees	<u>70,300</u>	<u>70,300</u>	<u>143,189</u>	<u>72,889</u>

See Disclaimer in Accompanying Independent Auditor's Report.

TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2012

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Revenue/(Cont'd):				
Rescue Fees:				
Fire Department Fees	\$ 5,000	\$ 5,000	\$ 1,270	\$ (3,730)
Fire Department Insurance - Reimbursement	1,929	1,929	0	(1,929)
Rescue Fees	240,000	240,000	184,460	(55,540)
Rescue Donations	<u>3,000</u>	<u>3,000</u>	<u>4,503</u>	<u>1,503</u>
Total Rescue Fees	<u>249,929</u>	<u>249,929</u>	<u>190,233</u>	<u>(59,696)</u>
Animal Control Fees:				
Pound Fees	<u>6,000</u>	<u>6,000</u>	<u>3,869</u>	<u>(2,131)</u>
Total Animal Control Fees	<u>6,000</u>	<u>6,000</u>	<u>3,869</u>	<u>(2,131)</u>
Interest on Rescue Donations:	<u>7</u>	<u>7</u>	<u>13</u>	<u>6</u>
Intergovernmental:				
State Aid to Highways	<u>225,000</u>	<u>225,000</u>	<u>232,017</u>	<u>7,017</u>
Total Intergovernmental	<u>225,000</u>	<u>225,000</u>	<u>232,017</u>	<u>7,017</u>
Public Works Fees:				
Public Works Fees	2,500	2,500	3,075	575
Engineer Fees	<u>1,000</u>	<u>1,000</u>	<u>0</u>	<u>(1,000)</u>
Total Public Works Fees	<u>3,500</u>	<u>3,500</u>	<u>3,075</u>	<u>(425)</u>
Concession Vendor Fees:	<u>0</u>	<u>0</u>	<u>200</u>	<u>200</u>
Recreation:				
Recreation Fees	37,654	37,654	38,207	553
Great Escape Sales	8,900	8,900	12,318	3,418
Recreation Field Use	3,000	3,000	3,240	240
After School	0	0	500	500
Summer Travelers	<u>3,500</u>	<u>3,500</u>	<u>0</u>	<u>(3,500)</u>
Total Recreation	<u>53,054</u>	<u>53,054</u>	<u>54,265</u>	<u>1,211</u>
Library:				
Insurance Reimbursement	400	400	409	9
Resource Sharing Grant	<u>0</u>	<u>0</u>	<u>378</u>	<u>378</u>
Total Library	<u>400</u>	<u>400</u>	<u>787</u>	<u>387</u>

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TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2012

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Revenue/(Cont'd):				
Planning Zoning Fees:				
Building Permit Fees	\$ 20,000	\$ 20,000	\$ 40,179	\$ 20,179
Planning Fees	14,000	14,000	13,231	(769)
Total Planning Zoning Fees	<u>34,000</u>	<u>34,000</u>	<u>53,410</u>	<u>19,410</u>
Total Revenues	<u>5,841,350</u>	<u>5,841,350</u>	<u>6,273,921</u>	<u>432,571</u>
Expenditures:				
General Government:				
Selectboard:				
Regular Salaries	8,550	8,550	6,975	1,575
Part-Time Salaries	1,500	0	0	0
Social Security	769	769	534	235
Other Professional Services	25,000	24,390	24,390	0
Advertising	2,500	3,025	3,018	7
Printing and Binding	2,000	1,250	1,250	0
Citizen Recognition	500	0	0	0
Office Supplies	300	4	4	0
Other Supplies	230	230	0	230
Dues and Fees	11,285	11,285	11,285	0
Tax Abatements	5,000	9,583	11,658	(2,075)
Professional Development	500	48	48	0
Total Selectboard	<u>58,134</u>	<u>59,134</u>	<u>59,162</u>	<u>(28)</u>
Election:				
Part Time Salaries	2,600	2,600	2,237	363
Social Security	199	199	169	30
Technical	2,450	2,450	939	1,511
Advertising	100	100	0	100
Printing and Binding	1,500	1,350	625	725
Postage	500	500	86	414
Office Supplies	100	250	200	50
General Supplies	150	150	114	36
Professional Development	100	100	0	100
Total Election	<u>7,699</u>	<u>7,699</u>	<u>4,370</u>	<u>3,329</u>

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TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2012

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Insurance Risk Management:				
Worker's Compensation	\$ 80,000	\$ 80,000	\$ 78,767	\$ 1,233
General Liability Insurance	43,900	43,600	41,990	1,610
Vehicle Insurance	15,600	15,900	16,118	(218)
Property Insurance	21,600	21,600	21,026	574
Employment Practices	7,010	7,010	6,933	77
Public Officials Liability	10,600	10,600	10,262	338
Long Term Disability	11,362	11,362	8,921	2,441
Short Term Disability	7,400	7,400	5,798	1,602
Vision Service Plan	9,525	9,525	7,477	2,048
	<u>206,997</u>	<u>206,997</u>	<u>197,292</u>	<u>9,705</u>
Total Insurance Risk Management				
Legal:				
General Government	17,500	48,971	44,806	4,165
Planning	2,500	2,500	2,566	(66)
Health	5,500	1,499	1,499	0
Appeals	5,500	30	30	0
	<u>31,000</u>	<u>53,000</u>	<u>48,901</u>	<u>4,099</u>
Total Legal				
Property, Taxes and Assessments:				
County Taxes	38,500	38,500	36,362	2,138
Town of Westford	3,200	3,200	3,045	155
CCTA Assessment	47,342	47,342	47,342	0
	<u>89,042</u>	<u>89,042</u>	<u>86,749</u>	<u>2,293</u>
Total Property, Taxes and Assessments				
Town Manager:				
Regular Salaries	179,243	179,243	145,429	33,814
Retirement Buyout	0	0	11,913	(11,913)
Travel Allowance	4,800	4,800	4,800	0
Group Health Insurance	45,962	40,208	36,540	3,668
Group Dental Insurance	3,245	3,245	2,265	980
Group Life Insurance and AD&D	1,097	1,098	782	316
Social Security	14,079	14,079	12,219	1,860
Retirement	14,387	14,387	13,644	743
Other Professional Service	2,000	925	784	141
Communications - Telephone	840	840	977	(137)
Communication - Other	890	890	519	371
Travel	1,750	1,838	1,436	402

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TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2012

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Town Manager/(Cont'd):				
Postage	\$ 850	\$ 1,300	\$ 1,148	\$ 152
Employee Recognition	110	110	0	110
Office Supplies	800	925	889	36
Technology	500	500	387	113
Machinery and Equipment	300	300	0	300
Dues and Fees	950	950	839	111
Professional Development	1,000	1,412	1,177	235
	<u>272,803</u>	<u>267,050</u>	<u>235,748</u>	<u>31,302</u>
Total Town Manager				
Town Clerk/Treasurer:				
Regular Salaries	150,649	154,078	131,396	22,682
Retirement Buyout	0	0	12,706	(12,706)
Part Time Salaries	27,790	28,011	27,695	316
Group Health Insurance	40,036	34,284	31,712	2,572
Group Dental Insurance	2,504	2,504	2,129	375
Group Life Insurance & AD&D	924	945	767	178
Social Security	13,650	13,929	12,718	1,211
Retirement Contribution	7,532	7,705	6,550	1,155
Technical/ACS	18,000	18,000	21,073	(3,073)
Shredding	200	200	124	76
Photo Copier Maintenance	1,200	1,233	1,233	0
Communications - Telephone	850	1,125	1,175	(50)
Advertising	100	100	0	100
Printing and Binding	200	200	14	186
Travel	250	250	245	5
Postage	2,500	2,500	1,628	872
Office Supplies	2,500	2,017	2,045	(28)
General Supplies	100	100	15	85
Technology	0	176	176	0
Books and Periodicals	75	75	0	75
Machinery and Equipment	900	900	745	155
Dues and Fees	280	280	145	135
Professional Development	1,455	1,455	463	992
	<u>271,695</u>	<u>270,067</u>	<u>254,754</u>	<u>15,313</u>
Total Town Clerk/Treasurer				

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TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2012

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Finance Office:				
Regular Salaries	\$ 144,454	\$ 145,430	\$ 145,756	\$ (326)
Insurance Buyout	2,400	2,800	2,800	0
Group Health Insurance	36,916	33,080	25,612	7,468
Group Dental Insurance	3,945	3,945	3,136	809
Group Life Insurance and AD&D	891	912	886	26
Social Security	11,234	11,309	11,102	207
Retirement Contribution	7,387	7,448	7,473	(25)
Technical	300	300	148	152
Communications-Telephone	720	772	815	(43)
Printing and Binding	3,200	3,200	2,723	477
Travel	50	50	0	50
Postage	9,000	8,536	7,560	976
Office Supplies	1,700	1,700	1,943	(243)
General Supplies	400	400	267	133
Machinery and Equipment	900	900	570	330
Professional Development	455	455	230	225
	<u>223,952</u>	<u>221,237</u>	<u>211,021</u>	<u>10,216</u>
Total Finance Office				
Listers:				
Regular Salaries	360	360	0	360
Part Time Salaries	31,990	32,246	32,571	(325)
Social Security	2,475	2,495	2,492	3
Official/Administrative	25,831	25,831	16,797	9,034
Technical	3,000	2,675	2,612	63
Communications-Telephone	700	700	815	(115)
Travel	220	220	178	42
Postage	700	700	52	648
Office Supplies	450	650	464	186
Technology	0	75	75	0
Books and Periodicals	60	60	0	60
Machinery and Equipment	400	650	499	151
Dues and Fees	15	15	0	15
Professional Development	300	100	100	0
	<u>66,501</u>	<u>66,777</u>	<u>56,655</u>	<u>10,122</u>
Total Listers				
Contingency:				
Contingency	<u>54,290</u>	<u>6,744</u>	<u>0</u>	<u>6,744</u>
Total Contingency				
	<u>54,290</u>	<u>6,744</u>	<u>0</u>	<u>6,744</u>

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TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2012

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Administrative Services:				
Health Insurance - Choice	\$ 1,405	\$ 4,735	\$ 4,716	\$ 19
HRA Contribution	47,450	110,624	30,763	79,861
Wellness Program	0	75	75	0
Health and Safety Vaccination	0	575	354	221
Other Professional	1,000	675	650	25
Technical	0	100	100	0
Shredding	325	0	0	0
Vehicle/Equipment Maintenance	2,000	1,050	891	159
Photo Copier Maintenance	2,000	2,000	1,769	231
Advertising	1,680	1,680	1,597	83
Postage Machine Rental	1,174	944	960	(16)
Postage Machine Maintenance	506	736	736	0
Office Supplies	3,200	3,700	3,464	236
Dues and Fees	50	50	0	50
	<u>60,790</u>	<u>126,944</u>	<u>46,075</u>	<u>80,869</u>
Total Administrative Services				
Information Technology:				
Technical	27,490	27,490	26,188	1,302
Communications - Other	10,776	10,776	10,688	88
Technology	750	750	0	750
Machinery and Equipment	1,610	1,610	1,389	221
Professional Development	285	285	0	285
	<u>40,911</u>	<u>40,911</u>	<u>38,265</u>	<u>2,646</u>
Total Information Technology				
Total General Government				
	<u>1,383,814</u>	<u>1,415,602</u>	<u>1,238,992</u>	<u>176,610</u>
Public Safety:				
Police Department:				
Regular Salaries	850,012	829,137	801,507	27,630
Shift Differential	10,000	10,750	10,333	417
Instructor Salaries	3,700	450	378	72
Temporary Salaries	17,000	23,000	20,978	2,022
Overtime	70,000	70,000	67,024	2,976
Contract Salaries	20,000	20,000	48,798	(28,798)
Insurance Buyout	2,400	3,650	3,600	50
Travel Allowance	900	900	900	0
Physical Fitness	2,275	2,275	1,100	1,175
Group Health Insurance	197,970	173,960	149,064	24,896
Group Dental Insurance	14,032	15,032	14,138	894
Group Life Insurance and AD&D	5,238	5,238	4,766	472

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TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
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FOR THE YEAR ENDED JUNE 30, 2012

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Police Department/(Cont'd):				
Social Security	\$ 77,738	\$ 77,738	\$ 71,251	\$ 6,487
Retirement Contribution	81,184	81,184	78,755	2,429
Other Professional	3,965	5,765	4,374	1,391
Technical	95,355	89,075	88,899	176
Vehicle Maintenance	14,025	18,525	19,947	(1,422)
Photo Copier Maintenance	1,300	1,625	1,455	170
Rental of Equipment and Vehicle	400	400	0	400
Communications - Telephone	5,365	6,365	6,487	(122)
Communications - Other	8,280	7,280	4,319	2,961
Advertising	120	120	0	120
Printing and Binding	750	750	720	30
Chittenden County Special Investigations	45,000	8,500	8,057	443
Travel	5,575	1,975	1,949	26
Postage	650	650	439	211
Office Supplies	3,100	3,100	2,149	951
General Supplies	7,300	6,900	4,729	2,171
Technology	400	400	176	224
Gasoline	28,750	46,250	50,455	(4,205)
Books and Periodicals	800	300	0	300
Uniforms	13,600	13,600	11,300	2,300
Machinery and Equipment	1,500	2,780	2,780	0
Furniture and Fixtures	500	500	0	500
Dues and Fees	520	520	510	10
Professional Development	6,500	6,499	4,404	2,095
Youth Program	1,000	1,001	1,000	1
Ballistic Vests Grant	1,300	1,300	1,280	20
Firearms	650	650	619	31
	<u>1,599,154</u>	<u>1,538,144</u>	<u>1,488,640</u>	<u>49,504</u>
Total Police Department				

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TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2012

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Fire Department:				
Regular Salaries	\$ 14,646	\$ 14,763	\$ 14,537	\$ 226
Temporary Salaries	83,142	83,142	72,606	10,536
Group Health Insurance	5,912	5,315	4,655	660
Group Dental Insurance	489	489	472	17
Group Life Insurance and AD&D	90	91	88	3
Social Security	7,481	7,490	6,616	874
Retirement Contribution	732	738	701	37
Other Professional	6,150	6,150	2,250	3,900
Technical	38,849	38,849	38,849	0
Vehicle/Equipment Maintenance	22,800	22,800	19,605	3,195
Photo Copier Maintenance	750	750	231	519
Communications Telephone	600	1,200	1,082	118
Communications - Other	1,050	1,050	834	216
Advertising	100	100	0	100
Printing and Binding	150	150	0	150
Travel	350	350	0	350
Postage	125	125	46	79
Office Supplies	1,000	1,000	373	627
General Supplies	5,300	5,300	2,409	2,891
Technology	1,000	1,000	821	179
Diesel Fuel	4,250	6,250	6,110	140
Books and Periodicals	200	200	80	120
Uniforms	1,650	1,650	0	1,650
Machinery/Equipment	37,875	37,275	35,015	2,260
Furniture and Fixtures	250	250	0	250
Dues and Fees	1,625	1,625	820	805
Professional Development	3,000	1,000	90	910
Fire Prevention	3,500	3,500	3,323	177
	<u>243,066</u>	<u>242,602</u>	<u>211,613</u>	<u>30,989</u>
Total Fire Department				

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TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2012

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Rescue:				
Regular Salaries	\$ 32,430	\$ 32,689	\$ 32,189	\$ 500
Temporary Salaries	82,982	82,982	57,682	25,300
Group Health Insurance	13,158	11,837	10,313	1,524
Group Dental Insurance	1,087	1,087	1,051	36
Group Life Insurance and AD&D	200	201	196	5
Social Security	8,829	8,849	6,701	2,148
Retirement Contributions	1,622	1,635	1,636	(1)
Other Professional	2,400	2,400	490	1,910
Technical	40,599	40,599	39,799	800
Contracted Services	13,750	13,750	9,723	4,027
Vehicle/Equipment Maintenance	7,450	7,450	6,463	987
Photo Copier Maintenance	420	420	0	420
Communications - Telephone	800	800	918	(118)
Communications - Other	1,950	1,950	1,313	637
Advertising	250	250	186	64
Printing and Binding	250	250	0	250
Travel	350	350	0	350
Postage	125	125	56	69
Office Supplies	500	500	64	436
General Supplies	14,400	14,400	13,614	786
Technology	750	750	176	574
Diesel Fuel	7,500	7,500	7,260	240
Books and Periodicals	175	175	34	141
Uniforms	1,100	1,100	612	488
Machinery/Equipment	11,900	4,376	4,307	69
Furniture and Fixtures	250	385	382	3
Dues and Fees	725	725	220	505
Professional Development	11,000	7,365	2,185	5,180
Donation Expense	3,000	4,000	3,389	611
	<u>259,952</u>	<u>248,900</u>	<u>200,959</u>	<u>47,941</u>
Total Rescue				

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TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
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FOR THE YEAR ENDED JUNE 30, 2012

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Animal Control:				
Part Time Salaries	\$ 2,700	\$ 2,700	\$ 1,270	\$ 1,430
Social Security	207	207	97	110
Professional Services	700	1,090	1,000	90
Other Professional	900	200	0	200
Care & Keep Dogs and Cats	4,220	5,954	5,954	0
Dog Damage	300	126	60	66
Advertising	80	80	34	46
Printing and Binding	400	10	0	10
Travel	550	550	492	58
General Supplies	780	220	220	0
Professional Development	300	0	0	0
	<u>11,137</u>	<u>11,137</u>	<u>9,127</u>	<u>2,010</u>
Total Animal Control	<u>11,137</u>	<u>11,137</u>	<u>9,127</u>	<u>2,010</u>
	<u>2,113,309</u>	<u>2,040,783</u>	<u>1,910,339</u>	<u>130,444</u>
Total Public Safety	<u>2,113,309</u>	<u>2,040,783</u>	<u>1,910,339</u>	<u>130,444</u>
Public Works:				
Public Works Director:				
Regular Salaries	84,628	85,305	79,874	5,431
Group Health Insurance	7,631	4,754	11,709	(6,955)
Group Dental Insurance	835	835	1,568	(733)
Group Life Insurance and AD&D	201	203	424	(221)
Social Security	6,474	6,526	6,000	526
Retirement	7,296	7,330	4,001	3,329
Land Fill Closure	6,500	6,815	6,815	0
Contracted Services	6,800	6,800	6,800	0
Engineering Services	8,000	8,000	4,649	3,351
Communications - Telephone	300	354	326	28
Communications - Other	650	650	515	135
Advertising	400	400	320	80
Travel	200	396	297	99
Postage	300	300	202	98
Office Supplies	500	500	486	14
General Supplies	500	500	236	264
Technology	0	176	176	0
Gasoline	800	550	401	149
Books and Periodicals	300	300	0	300
Machinery and Equipment	250	74	0	74
Dues and Fees	7,000	6,685	6,467	218
Professional Development	1,000	1,000	55	945
	<u>140,565</u>	<u>138,453</u>	<u>131,321</u>	<u>7,132</u>
Total Public Works Director	<u>140,565</u>	<u>138,453</u>	<u>131,321</u>	<u>7,132</u>

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STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2012

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Highways:				
Regular Salaries	\$ 318,670	\$ 319,942	\$ 227,949	\$ 91,993
Retirement Buyout	0	0	22,255	(22,255)
Overtime Salaries	22,000	22,000	17,410	4,590
Insurance Buyout	2,400	2,400	0	2,400
Group Health Insurance	88,531	77,026	70,936	6,090
Group Dental Insurance	6,657	6,656	6,193	463
Group Life Insurance and AD&D	1,963	1,971	1,338	633
Social Security	26,245	26,343	19,758	6,585
Retirement	17,320	17,385	12,481	4,904
Other Employee Benefits	1,280	1,280	1,032	248
Contracted Services	40,000	7,160	6,102	1,058
Erosion Control	2,500	3,840	3,163	677
Repairs Maintenance	1,500	1,500	605	895
Vehicle Maintenance	59,000	87,287	80,457	6,830
Storm Water Maintenance	1,500	100	100	0
Rental of Equipment/Vehicle	2,000	2,000	1,328	672
Paving	257,000	248,751	95,736	153,015
Operating Transfers Out - Road/Sidewalk				
Restoration Reserve	0	0	151,328	(151,328)
Asphalt	7,500	10,007	9,723	284
Communications - Telephone	2,000	2,000	1,862	138
Communications - Other	500	500	465	35
Advertising	250	250	137	113
Winter Salt	109,730	116,142	116,142	0
Winter Sand	21,000	15,073	15,073	0
Chloride	14,000	14,000	12,989	1,011
Plant Mix/Gravel	54,000	54,000	53,810	190
Postage	100	107	107	0
Office Supplies	450	349	262	87
General Supplies	8,800	7,263	6,904	359
Plow Supplies	10,000	10,000	3,835	6,165
Technology	0	1,222	0	1,222
Culverts	12,000	10,778	10,030	748
Traffic Signs	3,000	3,101	2,901	200
Diesel Fuel	45,000	53,695	57,127	(3,432)
Gasoline	2,000	2,000	1,208	792
Employee Uniforms	3,400	3,400	3,047	353
Guardrails	1,500	1,500	0	1,500
Machinery and Equipment	4,500	8,499	3,999	4,500
Dues and Fees	150	150	140	10
Professional Development	2,000	705	485	220
Small Tools	1,000	1,000	90	910
Total Highways	1,151,446	1,141,382	1,018,507	122,875

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TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2012

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Building and Grounds:				
Regular Salaries	\$ 85,001	\$ 85,700	\$ 88,727	\$ (3,027)
Part Time Employees	12,622	12,213	4,020	8,193
Overtime	1,500	1,500	1,713	(213)
Insurance Buyout	2,400	2,400	2,800	(400)
Group Health Insurance	22,885	19,050	24,721	(5,671)
Group Dental Insurance	2,629	2,629	2,966	(337)
Group Life Insurance and AD&D	524	543	515	28
Social Security	7,767	7,828	7,328	500
Retirement Contributions	4,463	4,498	4,750	(252)
Unemployment Compensation	0	510	510	0
Other Employee Benefits	448	463	410	53
Other Professional Service	2,500	1,266	1,131	135
Technical Cemeteries	800	800	436	364
Contracted Services	1,800	1,800	1,170	630
Water/Sewer	2,000	2,000	2,299	(299)
Disposal & Refuse	4,000	4,000	4,197	(197)
Repair and Maintenance Facilities	23,350	24,569	23,293	1,276
Repair and Maintenance Equipment	3,200	3,200	3,098	102
Rental of Land and Building	2	2	0	2
Rental of Equipment and Vehicle	500	400	126	274
Building Mat Rentals	1,600	1,600	1,264	336
Communications - Telephone	800	600	289	311
Communications - Other	625	825	891	(66)
Advertising	200	50	25	25
Travel	250	0	0	0
Postage	75	75	1	74
General Supplies	4,000	5,440	4,363	1,077
Playing Surface Supplies	4,400	2,960	2,814	146
Equipment Playing Surface	300	144	0	144
Building Structure Fence	200	200	175	25
Technology	1,250	1,906	176	1,730
Natural Gas	25,000	20,000	15,607	4,393
Electricity	35,000	43,000	46,826	(3,826)
Electricity - Street Light	30,000	30,000	32,174	(2,174)
Propane	6,000	2,200	1,615	585
Heating Oil	1,000	1,800	1,725	75
Gasoline	3,500	4,300	4,676	(376)
Diesel Fuel	1,000	1,000	0	1,000
Employee Uniforms	1,750	1,750	1,883	(133)
Machinery & Equipment	650	650	353	297
Dues and Fees	900	600	490	110
Professional Development	800	300	215	85
Small Tools	300	300	161	139
	<u>297,991</u>	<u>295,071</u>	<u>289,933</u>	<u>5,138</u>
Total Buildings and Grounds	<u>297,991</u>	<u>295,071</u>	<u>289,933</u>	<u>5,138</u>
Total Public Works	<u>1,590,002</u>	<u>1,574,906</u>	<u>1,439,761</u>	<u>135,145</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2012

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Health Education Welfare:				
Health Officer:				
Regular Salaries	\$ 8,158	\$ 7,542	\$ 6,049	\$ 1,493
Part Time Salaries	1,330	1,956	1,317	639
Social Security	726	727	378	349
Employee Retirement	408	408	302	106
Technical	100	160	130	30
Postage	75	75	5	70
Office Supplies	100	40	0	40
Professional Development	180	180	0	180
	<u>11,077</u>	<u>11,088</u>	<u>8,181</u>	<u>2,907</u>
Total Health Officer				
Appropriations:				
Women Helping Women	500	500	500	0
Howard Center for Human Services	200	200	200	0
Visiting Nurse Appropriations	500	500	500	0
Green up Vermont	300	300	193	107
Milton Facility Community Center	4,375	4,375	4,375	0
Arrowhead Senior Citizens	7,000	7,000	7,000	0
Champlain Valley Agency	5,000	5,000	5,000	0
Association for the Blind	250	250	250	0
Women's Rape Crisis Center	350	350	0	350
Milton Artist Guild	500	500	500	0
Milton Grange	500	500	500	0
	<u>19,475</u>	<u>19,475</u>	<u>19,018</u>	<u>457</u>
Total Appropriations				
Total Health Education Welfare				
	<u>30,552</u>	<u>30,563</u>	<u>27,199</u>	<u>3,364</u>
Culture and Recreation:				
Library:				
Regular Salaries	91,008	89,683	82,712	6,971
Part Time Salaries	22,993	22,993	24,102	(1,109)
Part Time Salaries - Bookmobile	3,333	3,333	3,282	51
Group Health Insurance	30,612	22,817	22,817	0
Group Dental Insurance	2,411	2,411	2,060	351
Group Life Insurance and AD&D	561	561	463	98
Social Security	8,976	8,976	8,162	814
Employee Retirement	4,550	4,550	4,024	526
Unemployment Compensation	0	5,525	5,100	425
Official/Administrative	11,564	11,283	11,293	(10)
Other Professional Services	275	275	49	226
Professional Programs	2,800	1,470	1,470	0
Communications - Telephone	220	220	163	57
Communications - Other	240	240	240	0
Advertising	350	315	234	81

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TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2012

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Library/(Cont'd):				
Printing and Binding	\$ 275	\$ 275	\$ 255	\$ 20
Travel	1,000	754	754	0
Postage	2,600	2,000	1,997	3
Office Supplies	6,000	7,567	7,285	282
General Supplies	800	800	782	18
Books - Adults	8,074	8,074	8,017	57
Audios	6,006	6,006	6,061	(55)
CD Roms	450	450	442	8
Books - Childrens	7,112	7,112	7,056	56
Books - Juvenile	6,473	6,473	6,355	118
Books - Large - Print	4,100	2,400	2,380	20
Periodicals	1,300	1,300	1,276	24
Books - Reference	1,222	0	0	0
Videos	4,815	4,815	4,872	(57)
Machinery and Equipment	3,000	6,512	6,512	0
Furniture and Fixtures	500	1,000	978	22
Dues and Fees	230	546	545	1
Professional Development	1,265	544	544	0
Total Library	<u>235,115</u>	<u>231,280</u>	<u>222,282</u>	<u>8,998</u>
Recreation:				
Regular Salaries	30,836	31,213	30,862	351
Temporary Employees	10,000	10,575	8,313	2,262
Social Security	3,124	3,143	2,997	146
Rental of Equipment	2,500	2,500	2,120	380
Communications - Telephone	300	300	164	136
Advertising	400	400	252	148
Printing and Binding	4,900	4,900	4,745	155
Travel	300	300	188	112
Postage	300	300	129	171
Office Supplies	400	400	183	217
General Supplies	500	500	269	231
Technology	1,464	1,764	1,644	120
Uniforms	100	100	57	43
Machinery and Equipment	1,200	900	409	491
Dues and Fees	650	520	520	0
Professional Development	500	225	225	0
LL Baseball and Softball	500	500	500	0
Youth Soccer	500	500	500	0
Downhill Ski Club	300	300	300	0
Swimming	1,000	700	700	0
Youth Basketball	500	500	500	0
Music in Park	1,000	1,000	939	61

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TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2012

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Recreation: (Cont'd)				
Olde Fashion Fourth	\$ 3,000	\$ 3,000	\$ 3,000	\$ 0
Summer Travelers	1,700	30	30	0
Milton Youth Lacrosse	550	550	550	0
Town Events	1,200	1,200	791	409
Revenue Programs	31,000	26,670	27,117	(447)
Scholarships FR Revenue Program	2,000	2,000	177	1,823
Great Escape Program	7,500	13,500	12,852	648
Town Band	550	550	550	0
	<u>108,774</u>	<u>109,040</u>	<u>101,583</u>	<u>7,457</u>
Total Recreation				
Total Culture and Recreation	<u>343,889</u>	<u>340,320</u>	<u>323,865</u>	<u>16,455</u>
Economic:				
Planning:				
Regular Salaries	182,190	183,511	155,447	28,064
Retirement Buyout	0	0	11,392	(11,392)
Health Reimbursement (HRA)	1,200	1,200	0	1,200
Group Health Insurance	46,317	42,482	25,337	17,145
Group Dental Insurance	2,942	2,942	1,766	1,176
Group Life Insurance and AD&D	1,131	1,150	853	297
Social Security	14,029	14,262	12,626	1,636
Retirement Contribution	9,281	9,435	7,842	1,593
Other Professional	0	850	850	0
Communications - Telephone	850	850	978	(128)
Advertising	3,000	3,000	2,052	948
Printing and Binding	750	560	345	215
Travel	250	250	69	181
Postage	2,000	2,000	1,642	358
Office Supplies	750	625	431	194
Technology	0	434	434	0
Gasoline	700	700	289	411
Books and Periodicals	500	356	209	147
Machinery/Equipment	0	900	800	100
Conservation Commission	600	600	458	142
Dues and Fees	7,281	7,281	7,053	228
Professional Development	1,200	1,200	516	684
	<u>274,971</u>	<u>274,588</u>	<u>231,389</u>	<u>43,199</u>
Total Planning				

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TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2012

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Economic Development Comm:				
Advertising	\$ 50	\$ 50	\$ 0	\$ 50
Printing and Binding	500	155	0	155
Travel	370	370	0	370
Postage	75	75	5	70
Office Supplies	120	115	0	115
Books and Periodicals	100	100	0	100
Dues and Fees	10,260	10,610	10,610	0
Professional Development	1,000	1,000	413	587
Total Economic Development Comm	<u>12,475</u>	<u>12,475</u>	<u>11,028</u>	<u>1,447</u>
Total Economic	<u>287,446</u>	<u>287,063</u>	<u>242,417</u>	<u>44,646</u>
Debt Service:				
Municipal Building	60,000	60,000	60,000	0
Library Expansion - Principal	85,000	85,000	85,000	0
Main Street Stormwater - Principal	0	0	11,072	(11,072)
Fire Station	38,750	38,750	0	38,750
Highway Mid-Size Truck	37,645	37,645	37,645	0
Municipal Building	14,625	14,625	14,625	0
Library Expansion - Interest	42,197	42,197	42,196	1
Main Street Stormwater - Interest	0	0	5,381	(5,381)
Fire Station	7,626	7,626	9,847	(2,221)
Highway Truck - Interest	3,495	3,495	0	3,495
Total Debt Service	<u>289,338</u>	<u>289,338</u>	<u>265,766</u>	<u>23,572</u>
Capital Improvements:	<u>133,000</u>	<u>192,775</u>	<u>192,775</u>	<u>0</u>
Total Expenditures	<u>6,171,350</u>	<u>6,171,350</u>	<u>5,641,114</u>	<u>530,236</u>
Excess/(Deficiency) of Revenues Over Expenditures	<u>\$ (330,000)</u>	<u>\$ (330,000)</u>	632,807	<u>\$ 962,807</u>
Fund Balance - July 1, 2011, As Restated			<u>483,737</u>	
Fund Balance - June 30, 2012			<u>\$ 1,116,544</u>	

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TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE AND EXPENSES
BUDGET (NON GAAP BUDGETARY BASIS) AND ACTUAL
WATER FUND
FOR THE YEAR ENDED JUNE 30, 2012

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Revenue:				
Water Rents	\$ 680,605	\$ 680,605	\$ 679,146	\$ (1,459)
Penalties and Interest	10,623	10,623	11,964	1,341
Highland Avenue Homeowners	0	0	3,869	3,869
Hook - Ups	89,000	89,000	69,880	(19,120)
Interest Earnings	0	0	647	647
Other Financing Sources	1,500	1,500	6,657	5,157
Water Hauler Receipts	2,488	2,488	2,329	(159)
Maintenance - Agreement Receipts	500	500	1,400	900
Operating Transfers In	85,000	85,000	0	(85,000)
Bombardier Road Loop TIF	131,000	0	0	0
Bond Proceeds - Other Revenue - Capital	359,700	359,700	0	(359,700)
Total Revenue	<u>1,360,416</u>	<u>1,229,416</u>	<u>775,892</u>	<u>(453,524)</u>
Expenses:				
Regular Salaries	110,537	110,537	115,234	(4,697)
Overtime Salaries	3,536	3,536	3,250	286
Insurance Buyout	0	0	1,700	(1,700)
Group Health Insurance	35,860	33,934	21,448	12,486
HRA Contribution	0	4,526	4,127	399
Group Dental Insurance	2,802	2,802	2,707	95
Group LTD/STD/Vision Insurance	0	1,437	1,439	(2)
Group Life Insurance	682	682	678	4
Social Security	8,727	8,727	8,972	(245)
Retirement Contribution	5,742	5,742	6,147	(405)
Workers Compensation	4,075	4,075	3,408	667
Other Employee Benefits	913	913	332	581
Official/Administrative	135,778	135,778	135,778	0
Technical Services	2,125	2,125	2,105	20
Water/Sewer	179	179	451	(272)
Water Purchase CMD	286,189	286,189	309,612	(23,423)

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TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE AND EXPENSES
BUDGET (NON GAAP BUDGETARY BASIS) AND ACTUAL
WATER FUND
FOR THE YEAR ENDED JUNE 30, 2012

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Expenses/(Cont'd):				
Disposal and Refuse	\$ 360	\$ 360	\$ 384	\$ (24)
Repair and Maintenance Facility	1,500	1,500	215	1,285
Vehicle Repair and Maintenance	850	850	334	516
Equipment Repair and Maintenance	3,000	3,000	135	2,865
Rental of Equipment and Vehicle	300	300	0	300
Construction Services	10,000	540	312	228
Operating Transfer Out - Local				
Match Funding	0	20,289	20,289	0
Insurance Deductible	1,000	1,000	0	1,000
General Liability Insurance	1,050	1,050	941	109
Vehicle Insurance	625	625	602	23
Property Insurance	1,330	1,330	1,284	46
Communications - Telephone	550	650	665	(15)
Communications - Other	550	550	604	(54)
Advertising	275	275	78	197
Printing and Binding	2,700	2,796	2,796	0
Travel	250	250	84	166
Postage	500	500	19	481
Office Supplies	433	433	373	60
General Supplies	9,759	9,063	2,927	6,136
Water Meters	13,176	13,176	11,043	2,133
Technology	1,650	1,650	122	1,528
Natural Gas	4,250	4,250	3,143	1,107
Electricity	9,000	11,000	10,894	106
Bottled Gas	100	100	0	100
Gasoline	2,340	2,840	2,820	20
Books and Periodicals	200	200	0	200
Employee Uniforms	1,352	1,352	927	425

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TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE AND EXPENSES
BUDGET (NON GAAP BUDGETARY BASIS) AND ACTUAL
WATER FUND
FOR THE YEAR ENDED JUNE 30, 2012

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Expenses/(Cont'd):				
Machinery and Equipment	\$ 2,900	\$ 2,900	\$ 1,892	\$ 1,008
Dues and Fees	1,145	1,145	1,096	49
Professionals Development	1,800	1,800	1,259	541
Small Tools	650	650	333	317
Plant Line and Construction	37,394	37,394	37,394	0
Pump and Flanders	25,000	25,000	25,000	0
Plant and Line Construction Interest	29,122	29,122	28,857	265
Pump and Flanders Interest	2,460	2,460	2,437	23
Capital Projects	575,700	444,700	403,924	40,776
Land and ROW Purchase	<u>20,000</u>	<u>3,134</u>	<u>0</u>	<u>3,134</u>
 Total Expenses	 <u>1,360,416</u>	 <u>1,229,416</u>	 <u>1,180,571</u>	 <u>48,845</u>
 Net Income/(Loss)	 <u>\$ 0</u>	 <u>\$ 0</u>	 (404,679)	 <u>\$ (404,679)</u>
Adjustments to Reconcile to GAAP Basis Statements:				
Principal Payments on Debt			62,394	
Purchase of Capital Assets			403,924	
Depreciation			(98,823)	
Loss on Disposal of Equipment			<u>(12,429)</u>	
 Change in Net Assets - Exhibit G			 <u>\$ (49,613)</u>	

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TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE AND EXPENSES
BUDGET (NON GAAP BUDGETARY BASIS) AND ACTUAL
SEWER FUND
FOR THE YEAR ENDED JUNE 30, 2012

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Revenue:				
Rents	\$ 456,584	\$ 456,584	\$ 429,600	\$ (26,984)
Penalties on Rents	4,900	4,900	6,287	1,387
Hookups	67,710	67,710	42,549	(25,161)
Interest Earnings	0	0	68	68
Miscellaneous Income	1,500	1,500	735	(765)
Septage Receipts	45,000	45,000	49,373	4,373
Maintenance Agreement Receivable	200	200	200	0
Transfer in TIF Fund	301,458	301,458	301,458	0
Village Core Sewer Expansion	3,100,000	0	0	0
WW Collection System Rehab Study	50,000	0	0	0
Total Revenue	<u>4,027,352</u>	<u>877,352</u>	<u>830,270</u>	<u>(47,082)</u>
Expenses:				
Regular Salaries	110,537	110,537	115,234	(4,697)
Overtime Salaries	9,000	9,000	7,256	1,744
Insurance Buyout	0	0	1,700	(1,700)
Group Health Insurance	35,860	33,935	21,448	12,487
HRA Contribution	0	4,526	4,127	399
Group Dental Insurance	2,802	2,802	2,707	95
Group Lts/Std/Vision Insurance	0	1,437	1,440	(3)
Group Life Insurance and AD&D	682	682	678	4
Social Security	9,145	9,145	9,245	(100)
Retirement	6,015	6,015	6,136	(121)
Worker's Compensation	4,410	4,410	4,249	161
Other Employee Benefits	913	913	332	581
Official/Administrative	134,653	134,653	134,653	0
Technical Services	46,325	47,950	35,549	12,401
Water/Sewer	2,492	2,492	2,402	90
Disposal and Refuse	4,320	4,320	4,134	186

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TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE AND EXPENSES
BUDGET (NON GAAP BUDGETARY BASIS) AND ACTUAL
SEWER FUND
FOR THE YEAR ENDED JUNE 30, 2012

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Expenses/(Cont'd):				
Repair and Maintenance Facility	\$ 1,500	\$ 18,038	\$ 16,648	\$ 1,390
Vehicle Repair and Maintenance	850	850	334	516
Equipment Repair and Maintenance	2,000	14,365	13,410	955
Rental of Land and Buildings	100	100	0	100
Rental of Equipment and Vehicle	300	300	0	300
Construction Services	10,000	463	0	463
Operating Transfers Out -				
Local Match Funding	0	6,750	6,750	0
General Liability Insurance	2,540	2,540	2,460	80
Vehicle Insurance	625	625	602	23
Property Insurance	8,650	8,650	8,336	314
Communications - Telephone	2,500	2,500	2,721	(221)
Communications - Other	550	550	604	(54)
Advertising	350	350	38	312
Printing and Binding	500	300	0	300
Travel	250	250	84	166
Postage and Mailing	325	525	354	171
Office Supplies	433	433	373	60
General Supplies	82,962	60,567	50,553	10,014
Water Meter Purchases	8,784	8,784	7,362	1,422
Technology	1,750	1,750	121	1,629
Natural Gas	14,700	14,200	11,371	2,829
Electricity	79,885	79,885	82,930	(3,045)
Bottled Gas	75	75	0	75
Diesel Fuel	2,100	2,100	943	1,157
Gasoline	2,340	2,840	2,820	20
Books and Periodicals	200	200	0	200
Employee Uniforms	1,352	1,352	927	425
Machinery and Equipment	1,725	1,771	1,777	(6)
Dues and Fees	890	1,506	1,531	(25)
Professional Development	1,800	1,800	852	948
Small Tools	650	604	279	325

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TOWN OF MILTON, VERMONT
STATEMENT OF REVENUE AND EXPENSES
BUDGET (NON GAAP BUDGETARY BASIS) AND ACTUAL
SEWER FUND
FOR THE YEAR ENDED JUNE 30, 2012

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Expenses/(Cont'd):				
WWTF SRF Bond	\$ 43,250	\$ 43,250	\$ 43,250	\$ 0
WWTF Upgrade Plant	258,208	258,208	258,208	0
Capital Projects	<u>3,160,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenses	<u>4,059,298</u>	<u>909,298</u>	<u>866,928</u>	<u>42,370</u>
Net Income/(Loss)	<u>\$ (31,946)</u>	<u>\$ (31,946)</u>	(36,658)	<u>\$ (4,712)</u>
Adjustments to Reconcile to GAAP Basis Statements:				
Principal Payments on Debt			301,458	
Depreciation			(219,701)	
Loss on Disposal of Capital Assets			<u>(82,077)</u>	
Change in Net Assets - Exhibit G			<u>\$ (36,978)</u>	

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TOWN OF MILTON, VERMONT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2012

Special Revenue Funds

	Impact Fees Fund	Reappraisal Fund	Restoration of Records Fund	Drug Forfeiture Fund
<u>ASSETS</u>				
Cash	\$ 76,553	\$ 253,552	\$ 158,550	\$ 10,286
Receivables	0	0	0	0
Due from Other Funds	<u>276,334</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Assets	<u>\$ 352,887</u>	<u>\$ 253,552</u>	<u>\$ 158,550</u>	<u>\$ 10,286</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0
Due to Other Funds	0	7,818	18,136	0
Deferred Revenue	0	0	0	0
Due to Others	<u>36,313</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>36,313</u>	<u>7,818</u>	<u>18,136</u>	<u>0</u>
Fund Balances:				
Nonspendable	0	0	0	0
Restricted	316,574	0	140,414	10,286
Committed	0	0	0	0
Assigned	<u>0</u>	<u>245,734</u>	<u>0</u>	<u>0</u>
Total Fund Balances	<u>316,574</u>	<u>245,734</u>	<u>140,414</u>	<u>10,286</u>
Total Liabilities and Fund Balances	<u>\$ 352,887</u>	<u>\$ 253,552</u>	<u>\$ 158,550</u>	<u>\$ 10,286</u>

See Disclaimer in Accompanying Independent Auditor's Report.

Milton Public Library Fund	Bike Path Fund	Grant Fund	Village of Milton Fund	Capital Project Fund Road/Sidewalk Restoration Reserve Fund	Permanent Fund West Milton Cemetery Fund	Total
\$ 11,227	\$ 0	\$ 0	\$ 12,140	\$ 0	\$ 5,471	\$ 527,779
0	0	103,205	0	0	0	103,205
0	0	0	640	151,328	1,684	429,986
\$ 11,227	\$ 0	\$ 103,205	\$ 12,780	\$ 151,328	\$ 7,155	\$ 1,060,970
\$ 0	\$ 0	\$ 0	\$ 1,926	\$ 0	\$ 0	\$ 1,926
0	0	89,699	0	0	0	115,653
0	0	13,506	0	0	0	13,506
0	0	0	0	0	0	36,313
0	0	103,205	1,926	0	0	167,398
0	0	0	0	0	4,500	4,500
11,227	0	0	0	0	2,655	481,156
0	0	0	10,854	151,328	0	162,182
0	0	0	0	0	0	245,734
11,227	0	0	10,854	151,328	7,155	893,572
\$ 11,227	\$ 0	\$ 103,205	\$ 12,780	\$ 151,328	\$ 7,155	\$ 1,060,970

TOWN OF MILTON, VERMONT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2012

	Special Revenue Funds			
	Impact Fees Fund	Reappraisal Fund	Restoration of Records Fund	Drug Forfeiture Fund
Revenues:				
Intergovernmental	\$ 0	\$ 41,762	\$ 0	\$ 4,767
Charges for Services	98,389	0	50,547	0
Investment Income	199	419	268	16
Donations	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	<u>98,588</u>	<u>42,181</u>	<u>50,815</u>	<u>4,783</u>
Expenditures:				
Current:				
General Government	0	3,877	170	0
Public Safety	0	0	0	5,596
Culture and Recreation	0	0	0	0
Capital Outlay:				
General Government	0	0	899	0
Public Safety	0	0	0	0
Highways and Streets	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>3,877</u>	<u>1,069</u>	<u>5,596</u>
Excess/(Deficiency) of Revenues Over Expenditures	<u>98,588</u>	<u>38,304</u>	<u>49,746</u>	<u>(813)</u>
Other Financing Sources/(Uses):				
Transfers In	0	0	0	0
Transfers Out	<u>(30,000)</u>	<u>0</u>	<u>(17,485)</u>	<u>0</u>
Total Other Financing Sources/(Uses)	<u>(30,000)</u>	<u>0</u>	<u>(17,485)</u>	<u>0</u>
Net Change in Fund Balances	68,588	38,304	32,261	(813)
Fund Balances - July 1, 2011	<u>247,986</u>	<u>207,430</u>	<u>108,153</u>	<u>11,099</u>
Fund Balances - June 30, 2012	<u>\$ 316,574</u>	<u>\$ 245,734</u>	<u>\$ 140,414</u>	<u>\$ 10,286</u>

See Disclaimer in Accompanying Independent Auditor's Report.

Milton Public Library Fund	Bike Path Fund	Grant Fund	Village of Milton Fund	Capital Project Fund Road/Sidewalk Restoration Reserve Fund	Permanent Fund West Milton Cemetery Fund	Total
\$ 926	\$ 0	\$ 184,070	\$ 0	\$ 0	\$ 0	\$ 231,525
0	0	0	0	0	0	148,936
9	0	0	18	0	2	931
<u>300</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,684</u>	<u>1,984</u>
<u>1,235</u>	<u>0</u>	<u>184,070</u>	<u>18</u>	<u>0</u>	<u>1,686</u>	<u>383,376</u>
0	0	384	2,803	0	0	7,234
0	0	405	0	0	0	6,001
2,368	0	0	0	0	0	2,368
0	0	0	0	0	0	899
0	0	31,056	0	0	0	31,056
<u>0</u>	<u>0</u>	<u>162,501</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>162,501</u>
<u>2,368</u>	<u>0</u>	<u>194,346</u>	<u>2,803</u>	<u>0</u>	<u>0</u>	<u>210,059</u>
<u>(1,133)</u>	<u>0</u>	<u>(10,276)</u>	<u>(2,785)</u>	<u>0</u>	<u>1,686</u>	<u>173,317</u>
0	2,911	10,276	0	151,328	0	164,515
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(47,485)</u>
<u>0</u>	<u>2,911</u>	<u>10,276</u>	<u>0</u>	<u>151,328</u>	<u>0</u>	<u>117,030</u>
(1,133)	2,911	0	(2,785)	151,328	1,686	290,347
<u>12,360</u>	<u>(2,911)</u>	<u>0</u>	<u>13,639</u>	<u>0</u>	<u>5,469</u>	<u>603,225</u>
<u>\$ 11,227</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 10,854</u>	<u>\$ 151,328</u>	<u>\$ 7,155</u>	<u>\$ 893,572</u>

TOWN OF MILTON-EMPLOYEE EARNINGS STATEMENT-JANUARY 1, 2012 TO DECEMBER 31, 2012

ADAMS	DARREN	CARLSON	SEAN	8978.10	GODIN	REGINALD	162.44	LOMBARD	MARY LOUISE	223.94	ROY	SHARON	1078.71
ADAMS	JONATHAN	CAVA	HEIDI	14364.00	GODIN	MARY	50.94	LOMBARD	ROBERT	1529.81	RUSHLOW	JOYCE	209.68
ANDERSON	JOANNE	CENTABAR	JON	65384.35	GOODWIN	JANET	65.20	LOMBARD	COREY	1779.32	SAFFORD	WALTER	2424.59
ARCHAMBAULT	DAVID	CHAMPNEY	STEPHEN	1030.85	GOODWIN	THOMAS	110.03	MAGGI	KATHERINE	1022.97	SANDERS	EDWARD	3078.22
ARCHAMBAULT	DANIELLE	CHAPMAN	BEVERLY	33248.00	GORDON	JOYCE	114.10	MARSHALL	BETHANNE	7950.00	SANDERS	JILL	361.09
ASHTON	ROBERT	CLARK	JAY	1853.85	GRANT	MEGHAN	36886.40	MARSHALL	JASON	431.60	SANDERSON	WILLIAM	28387.83
BACHAND	NATHAN	CLEVELAND	JOAN	69.28	GRENIER	CHRISTOPHER	58873.16	MARTIN	STEPHEN	585.11	SANTINI	MARIA	423.70
BALLARD	LINDA	CLOUGHERTY	CHRIS	566.88	GRISWOLD	MARY	560.00	MATHIEU	RANDY	47869.35	SAUVE	COLLEEN	1910.63
BARCOMB	KIM	COMSTOCK	BRENDA	46785.58	GROELING	JESSICA	5339.96	MAZZUCCO	ANTONIO	14571.20	SCAUISE	FRANK	50316.73
BARCOMB	LINDSEY	COUILLARD	JEREMY	3877.74	HAYDEN	BEVERLY	12553.17	MESICK	CARL	2906.09	SEKERAK	JUDITH	209.86
BARROWS	RANDALL	COUTURE	ELIZABETH	11913.24	HOLBROOK	SANDRA	6517.76	MONMONEY	KATIE	3100.80	SENEY	ALISHA	2829.31
BARSALOW	CHARLES	CROSS	BETTY	2354.85	HOYT	JOHN	331.74	MOORE	RODERICK	7569.07	SHARROW	JOHN	222.34
BARTLETT	JANICE	CROSS	CATHERINE	2263.56	HUBERT	RONALD	67.05	MORWAY	ALICE	338.04	SHEESLEY	ANDREA	302.60
BARTLETT	JOHN	CUSHING	JOHN	75935.87	HUDSON	JEAN	84.09	MOSSEY	MARK	49755.42	SHEPARD	JOYCE	1909.06
BASHAW	LESLIE	CUSHING	STEPHANIE	113.13	HUNT	ROGER	62636.69	MOSSEY	LOUIS	1395.00	SHEPARD	TODD	1305.00
BEAUPRE	HOWARD	CUSHMAN	ROBERT	27928.11	HURLEY	CHARLES	1889.44	MURPHY	SCOTT	9549.65	SIMPSON	NORMA	27739.24
BENARD	THOMAS	DAVIS	JOANNE	20826.68	HURLEY	DANIELLE	984.38	NAPPI	BENJAMIN	11626.54	SMITH	ROBERT	11780.54
BENWAY	AMY	DEFORGE	ROBERT	30878.59	JOACHIM	DAVID	11391.60	NELSON	GEORGE	256.16	SONNICK	KATHERINE	27120.00
BENWAY	WEY	DELANEY	STEPHEN	115.95	JOHNSON	ERIK	1302.66	NEWTON	TAYLOR	46370.08	STEVENS	AMANDA	1777.35
BENWAY	KAYLA	DELANEY	LYNN	105.95	KEELY	DUSTIN	66141.02	NICHOLS	CODY	1717.32	STUART	MARY	4129.16
BERGERON	DAVID	DEMERS	CHERYL	223.94	KIDD	SARAH	2892.83	NOBLE	MARY	360.08	TANNER	DIANE	309.71
BERGERON	JUSTIN	DEVINO	LORETTA	27742.38	KOFSKY	ZACHARY	459.38	NOEL	TRACEY	6730.32	THOMPSON	BETTY	331.93
BERGERON	JOSHUA	DEVIN	JOHN	26916.79	KOSHINSKY	DANIEL	108.75	NOLAN	KENNETH	242.28	THOMPSON	ERIC	1156.41
BERTEAU	JOSEPH	DICKINSON	ROGER	1657.75	LAFOND	PAULETTE	53854.67	NOONAN	PAULA	219.87	TINKER	RODNEY	373.40
BLAISDELL	TODD	DODGE	JACLYN	36500.80	LAFONTAIN	GORDON	54290.61	NOONAN	ANDREW	24900.56	TOURANGEAU	JASON	90.00
BOVIN	MICHAEL	DOLBY	DEBORAH	110.03	LAFONTAIN	ARTHUR	853.05	PALAJA	BRIAN	94800.04	TOWNE	CARROLL	109.46
BOSWORTH	WILLIAM	DUCHESNEAU	KIMBERLY	21052.50	LAFONTAIN	VICTORIA	2197.20	PALASIK	JOHN	74807.33	TRAINQUE	BERNARD	942.86
BOUFFARD	RICHARD	DULAC	KATHLEEN	46512.35	LAMPHERE	JAMES	1867.27	PARENT	ROGER	1122.90	TROMBLY	BRUCE	54612.83
BOUFFARD	NANCY	DUPONT	THOMAS	49748.16	LAMPHERE	CHRISTOPHER	488.80	PETERSON	MARYBETH	11408.12	TRUE	RHONDA	30356.11
BOUTIN	KATHY	EGAN	KAREN	31780.06	LANG	CELESTE	14287.25	PHILBROOK	SCOTT	64186.32	TUCKER	JAMES	270.42
BOYLE	FRANCIS	ENDRES	KEVIN	81.51	LARENTE	EDOUARD	45042.98	PITTS	AMANDA	12889.60	TURMEL	CYNTHIA	1131.30
BROWN	JENNIFER	ESTUS	BRENDA	39232.04	LAROCHE	STEPHEN	61383.34	PLUMB	CRAIG	72207.95	TURNER	DONALD	47772.52
BROWN	CHARLES	FEREDAY	KARRY	676.34	LAROSE	ROSALIE	44.83	POIRIER	KEVIN	1832.24	TURNER	EMILY	135.32
BURBO	ERIC	FITZGERALD	JANE	205.22	LAURIN	MACIE	3120.16	POIRIER	CHRISTIAN	5738.33	VANNOORDT	BRETT	78095.20
BURKE	STEPHEN	FITZGERALD	CODY	1179.07	LAUZIERE	LISA	891.88	POIRIER	JOSHUA	704.33	VIOLETTE	BRIAN	31826.88
BURKE	CHELSEA	GABORIAULT	LEE	156.26	LAUZIERE	HALEY	562.18	PORTER	JASON	52639.26	WALKER	BRIAN	1752.47
BURNETT	WARREN	GALLAS	ERIC	1881.92	LAUZON	LAUZON	1644.11	PRINCE	SHERYL	40285.97	WARE	ROBERT	18684.27
BURNOR	ALEXANDER	GAMBERO	ALEX	939.23	LAUZON	ANTHONY	1644.11	RAYMOND	KENDRA	45968.75	WESSON	JOCELYNE	220.06
BURNS	ALEXANDER	GENZLINGER	MICAH	6365.72	LAVALLEE	NATHAN	54380.23	RICHARDS	SANDRA	218.02	WESTFALL	MERRITT	9098.40
BUSHEY	JAMES	GIARD	EVAN	693.76	LAVIOLETTE	KATI	98.15	RONGO	CHRISTOPHER	2000.09	WIXSON	GAIL	215.98
CAMERON	JAMES	GIFFORD	JOHN	1495.00	LOCKE	PAUL	62439.21	ROSS	ALYSSA	238.74	WOODS-BRISSON	ROBIN	101.69

January 2013

Dear Fellow Residents:

This year our Board membership continued with Lou Mossey III and Darren Adams continuing as Chair and Vice Chair, respectively, and John Gifford as Clerk. Louis Mossey III continues as the Town's representative (and recently Chair) to the Regional Planning Commission.

At the last Town Meeting the voters supported several measures that will improve the community including authorization for investments in the Town's sewer system, replacement of aging infrastructure, the replacement of a tower truck, more funding for road replacement, the creation of a capital reserve fund for fire and rescue equipment, and authorization to proceed with addressing safety improvements and intersection redesign at Route 7/Railroad/Middle Road.

The Town recently completed a sewer system expansion that will both create new opportunities for grandlist growth and be paid for with Tax Increment Financing. Incremental revenue is already sufficient to make this first debt service payment and this revenue is expected increase next year to pay for new improvements.

Future budgets will need to continue investment in our rolling stock replacement to get back on track from deferments made during this recession. The creation of the fire and rescue capital reserve that voters supported will address essential needs for the fire and rescue department and we will consider similar financial planning in the future to avoid spikes in the tax rate and see that the Town's core service needs as they relate to capital are addressed. Future budgets will continue to contain measures that increase the Town's capital investment to fund our capital improvement plan more fully. We will also work towards finding cost effective ways to improve facilities and services for culture and recreation.

The Town will continue its efforts to address the intersection improvements, although, the Board recently selected a preferred alternative, obtaining state and federal regulatory approval and funding will be a multi-year process.

The Board will be considering changes to the Town's Comprehensive Plan over the next couple months and hopes that residents will review the plan changes and bring comments and concerns forward during the public hearing processes.

As always, thanks to our talented and hard working Town staff members, volunteer Committee, Board, and Commission members, and especially our volunteer Firefighters and Rescue members. We would also like to thank Todd Shepard who recently stepped down from the Board for his service to the community over the past three years.

We appreciate your patience and understanding concerning frequent inconveniences caused by both the public and private construction projects that were ongoing this year. Please contact us or Town staff anytime with your concerns. Your suggestions and feedback are always welcome.

Respectfully Submitted,

Louis Mossey III, Darren Adams, John Gifford, and John Bartlett

January 2013

Dear Milton Residents,

Milton has had a challenging and successful year. The State Auditor released a headline grabbing report this time last year when they finally completed their audit of Milton's fourteen year old Husky/Catamount Tax Increment Financing (TIF) District. Several public and private construction projects were started or finished during the year and the Town has made progress towards restoration of its Capital Improvement Plan and improved financial stability.

The State Auditor's report on Milton's (first) TIF District called for the Town to repay \$3,400,000 in allegedly misspent funds over the prior 14 year period. Approximately \$2,800,000 of this identification is based on the premise that Milton should not have paid for eligible costs for eligible projects with funds set aside in its TIF Fund but should have instead borrowing that money and paid unnecessary debt service costs over a 20 year period. The Auditor also identified about \$160,000 in costs that were not for a TIF project, but the Auditor refused to recognize that this \$160,000 cost was paid for with a Federal Economic Development Administration Grant and not TIF funds. Our legal counsel reaffirms that there is no law against paying for eligible project costs directly. Ironically, the State Auditor's accounting only adds up to a little over \$3,000,000 not the \$3,400,000 featured in their headline. It is unfortunate that the State Auditor's efforts lead the Town to have to hire its own Auditor to peer review the State Auditor's work. The Town has not heard from the State since the Auditor's report was released about repaying the \$3,400,000.

Milton has seen a very busy t construction year for both public and private projects. Based on the last two Town Meetings the Town implemented a \$3,600,000 investment in its sewer system that will be paid for with TIF funds facilitating economic growth to pay for services and more users on our system. This first Tax Increment Financing project in the Town Core District will create opportunities for projects that have already received development approvals in years past to go forward. Construction of a new shopping plaza is underway and the Town gained a distribution facility in its industrial park. The Town experienced robust growth in both of its TIF Districts and revenues are already sufficient to make the first debt service payment on the sewer system improvements.

The Town completed systematic replacements of aging infrastructure in its water system, replaced two police cars, and invested in a tower truck that will support the Town's growth needs for the next 15 years. Voters supported the creation of a fire and rescue capital reserve fund that will set money aside over time for the replacement of the town's 2nd ambulance and other needed equipment for the fire and rescue departments as well pay for debt service on the tower truck for the next 10 years. Future budgets will need to address the Town's other aging rolling stock to maintain service and control maintenance and repair costs.

The Town also increased the hours of the Recreation Department based on the last supported budget and is continuing to plan for the maintenance and further improvements to its Recreation system. The Town continues to receive bus service from the Chittenden County Transportation Authority.

I look forward to working with the Selectboard, Town Staff, and community leaders to keep Milton on a positive track.

Respectfully Submitted,

Brian M. Palaia
Town Manager

I am pleased to present this annual report of the Milton Police Department for fiscal year 2011-2012. Throughout this past fiscal year, we remained fully staffed.

During the previous fiscal year, the Milton Police Department worked hard to combat the sale, use and distribution of illegal drugs. We continue to execute search warrants for illegal drugs in an attempt to reduce the supply of drugs in our community and in some cases has led us to a considerable amount of recovered stolen property.

From July 1, 2011 to June 30, 2012, the Town of Milton saw a slight increase in the total number of cases and complaints (5,308). We have noticed an increase in assault, burglary and larceny cases during this period. The most common types of calls we responded to are listed below:

Suspicious Person/Circumstances	612
Citizen Disputes/Assists	554
Motor Vehicle Accidents	450
Ambulance or Medical Assists	424
Assistance to other Agencies	410
Vehicle Serial # Inspections	403
Animal Problems	287
Juvenile Problems	152
Alarms	142
Property Watch	113
Family Disturbances	111

The efforts and dedication of the police staff is indicative of their character and commitment to serving you as your local law enforcement. We strive to deliver efficient and courteous police services to the residents, business owners and visitors of the Town of Milton.

The people who live and work within this community make Milton the great place that it is. We are very appreciative of all the support everyone has shown the Milton Police Department over the years.

Milton Fire Department Annual Report

The dedicated staff of the Milton Fire Department meets weekly on Monday evenings at 7:00 pm at the fire station. The first Monday of the month is a scheduled business and maintenance meeting followed by an officer's meeting and the second and third Monday evenings are dedicated to training sessions.

Recruitment and retention of members continues to be a high priority. Daytime coverage has become a more serious concern. I will continue monitoring this situation closely throughout the year as I have for the last several years. We successfully recruited several new members and cadets this year however, there always seems to be room for more as we plan for the future of the department. If you have an interest in joining the Fire Department and serving your community please contact the Town Manager's office for an application.

Our relatively young leadership team continues to improve each year. This group of gentlemen has been very active in the department leadership for many years and are strong role models. Managing a volunteer organization like this always has its many ups and downs however, I look forward to working with this team as we lead the department into the future.

The Fire Department responded to several serious fires and incidents this year. We continue to rely heavily on our mutual aid departments for assistance with daytime and large scale operations. Challenging and difficult calls continue to test our resources. Our dedicated members always work hard whether it is responding to calls, training, organizing the annual parade or participating in any other situation they have been summoned. In 2011 the fire department responded to well over 200 calls for assistance. I expect these numbers to continue rising in the future as the community grows and more and more demands are put on the department and its members.

In March voters approved a Fire Department request to replace the 1980 Mack Tower Truck with a newer vehicle. The Fire Department capital replacement committee worked very hard on the specifications for this new vehicle. After spending nearly a year analyzing the department needs in this area, we were fortunate to have been able to negotiate the purchase a vehicle from our mutual aid department. The vehicle met all of our needs and made good financial sense. We were also able to take delivery much sooner than any other option we explored by working out a lease agreement prior to executing the purchase. The addition of this 2001 Tower Truck along with a 2012 Ford F350 Pick-up truck which replaced a 1989 vehicle substantially modernized the department's fleet.

We are truly grateful for your continued support of the Fire Department and its members. Thank You.

Don Turner Jr., Fire and Rescue Chief

Milton Rescue Department Annual Report

The Rescue Department meets on the fourth Monday evening of each month at 6:30 PM for a business meeting and training. Members are assigned to crews that run twelve hour shifts beginning at either 6 AM or 6 PM seven days per week. Each crew has at least two or more members and a crew chief that are assigned to the primary ambulance. The crews are expected to cover the entire shift and train for at least one hour per week while on duty. Emergency Medical Technicians must maintain their own individual certifications which now requires them to participate in 72 hours of continuing education every two years. This requirement is in addition to the commitment that they make to Milton Rescue. We are very fortunate here at Milton Rescue to have such a dedicated group of volunteers.

The leadership team of Assistant Chief Rod Moore, Training Officer Bethanne Marshall and Lieutenants Lisa Lauziere and Amy Benway have worked tirelessly over the last year to improve the overall operation. This team has really started to jell and will provide a strong leadership team for years to come.

With a solid roster of members on board our focus will now shift to recruiting existing certified members available to run daytime and weekend shifts. Currently, we are very dependent on three or four people that cover most of the day shifts. I will continue monitoring this situation very closely and the need may arise to hire per Diem members to cover these shifts in the very near future. Recruitment and retention of members will always be a very high priority for Milton Rescue. If you are interested in working with us at Milton Rescue to serve your community please contact the Town Manager's office for an application.

The department was fortunate to receive voter approval to purchase a new 2012 Lifeline Ambulance. This ambulance which was delivered in April along with the 2008 ambulance have served the departments needs well. It is not uncommon for both ambulances to be out on calls at the same time. This year we have even had multiple occurrences of sending a fire truck staffed with EMT's to a third call. The department will again run nearly 800 emergency calls in 2011. As the community ages and grows so will the call volume of our department.

At our annual banquet EMT's Chris Burnett and Jeremy Coulliard were recognized and honored by their peers as the 2010 Co-Rescue Members of the Year.

We are very grateful for the support the community continues to show the Rescue Department and its members. We really appreciate this support and would like to take this opportunity to say thank you.

Don Turner Jr., Fire and Rescue Chief

Milton Department of Public Works 2012 Annual Report

The Town of Milton Public Works Department consists of four Divisions: Water and Wastewater, Highway, Building and Grounds and Public Works Administration. If you have any questions regarding the Public Works Department please contact Bev Chapman, Administrative Assistant, at 893-6030.

The Public Works Department completed many projects this year. The Village Core Sewer Expansion and the Rugg Avenue, River Street and Kienle Avenue Water Project are outlined in the Water/Wastewater Division report.

We completed the Westford Road Culvert Replacement Project replacing four smaller culverts along Westford Road. The project also replaced an existing 36" culvert with a 48" culvert so that it would better handle the hydraulic needs of the watershed area.

The Hobbs Road Sidewalk Project was also completed, installing 2,100 linear feet of new sidewalk along Hobbs Road. The project included two retaining walls along the project, as well as new curbing and storm drainage improvements.

Public Works (Highway and Buildings & Grounds) Divisions

Despite the tight fiscal conditions that we face on a daily basis, the Milton Public Works Department continues to have many projects that are accomplished within available resources. The Town continues to maintain and update our three year paving plan and perform much of the prep work such as culvert replacements, ditching, tree cutting and road base repairs prior to the start of each summer season. Our resources continue to provide annual improvements to the gravel road network which has been met with many compliments regarding their improved conditions. We continue to battle with equipment breakdowns and short staffing, but our dedicated employees continue to maintain an acceptable level of service in responding to the need for clearing snow from roads and sidewalks over the winter seasons, and citizen requests for service as they are received.

Our department is also responsible for repairs and maintenance of Town owned properties and buildings; these include the municipal complex with the Town offices, police, fire and rescue buildings; as well as the recreation park and several other municipal facilities. We also maintain six cemeteries throughout the Town, the Bove property, the Town Forrest, the Eagle Mountain Conservation area, and several miles of walking trails along the Lamoille River. It is with dedicated staff and incredible volunteers that our projects are able to be completed each season.

We continued to perform several annual maintenance projects throughout our properties, including the cemeteries, and at our other municipal properties such as, installing parking at the Bove property and Henry Rd, improving access to the Town Forrest and Eagle Mountain.

As always our staff continues to modify our operations to perform a variety of tasks with tightening budgets, and increased requests for service. They complete a commendable amount of work which is greatly appreciated, along with their caring attitude toward the citizens of Milton. We continue to thank the citizens of Milton for the respect and assistance that they provide.

If a member of our community is interested in seeing what types of activities or equipment the Public Works Department has I encourage them to please contact our office at (802)-893-6030 to schedule a time to discuss your interests and our availability.

Water/Wastewater Division

The Water & Wastewater Divisions are staffed by five full time employees. We are assisted by many employees of the various Town Departments, of which we are truly grateful for their support.

The Water Division operates and maintains the Town Water System consisting of 35 +/- miles of water mains, 400+ valves, 280 fire hydrants, pumping stations and reservoirs. The system serves approximately 2,100 connections. A continuous supply of potable water is purchased from the Champlain Water District(CWD). Consumer Confidence Reports are published each year in June and July, and are available at the Milton Town Offices or from CWD.

The Wastewater Division operates and maintains 15 +/- miles of collection mains, pump stations and the Wastewater Treatment Facility. The system serves approximately 990 connections.

We operate and maintain the water meter system, including reading, and repair. Billing and collection services are provided by the Town Finance and Town Clerks Office. We strive to repair malfunctioning meters as soon as possible. Customers are urged to schedule repair appointments as soon as they receive the door hanger notification of a problem. Water & Wastewater bills are issued quarterly, in January, April, July & October.

Water Main (hydrant) flushing is conducted twice annually in April and October. During these periods residents may notice low or no water pressure, rusty, dirty or otherwise discolored water. This can be cleared by allowing your cold water to run for a few minutes. Water main flushing is essential to keep the mains clean and provide the highest quality product as possible.

On June 30, 2012, major water system improvements included the start of replacing old water mains on Rugg Avenue, Kienle Road and the Gimlet Hill section of River Street. As of this writing, this project is complete and the water improvements are now in service. We continue an effort to assess, repair and replace smaller infrastructures in house as time and funding allows.

The Village Core Water & Sewer System Improvement dominated most of Fiscal Year 2012. The project included a new pump station at the Middle Road Recreation Park, new sewer mains on Bombardier Road, Centre Drive, Middle Road, US Route 7, Railroad Street and Villemaire Lane. New Water Mains were installed on Bombardier and Middle Roads. As of this writing, the project is substantially complete, with warranty work anticipated for the spring of 2013. The improvements are operational and available for connections.

Looking ahead, there is no major water improvements scheduled for the foreseeable future. A small wastewater collection system rehabilitation project is scheduled for the summer of 2013. In the future, you can expect several small rehabilitation projects in the oldest parts of the Town's wastewater collection system and small extension projects to fill out the Old Village area of Town.

While we strive to keep our user rates as affordable as possible, rising operating costs and wholesale water rates from CWD continue to rise. Unfortunately, this increased cost of service must be passed on to our ratepayers.

We can be dispatched after hours by calling the Milton Police at 893-2424. Please **DO NOT CALL 911** for water and wastewater emergencies! We look forward to continuing to provide our ratepayers the best service possible. If you have any questions, comments or suggestions, please feel free to contact me at 893-6030, or email me at rhunt@town.milton.vt.us.

Respectfully Submitted,

Craig P. Plumb, Public Works Director/Town Engineer
Dustin L. Keelty, Public Works Supervisor
Roger Hunt, Water & Wastewater Superintendent

DEPARTMENT OF PLANNING AND ECONOMIC DEVELOPMENT
Divisions of Planning, Zoning and Economic Development

Fiscal Year 2012 brought some changes to the department. First, Regina Mahony, the Planning Director left in the fall of 2011. Carrie Violette, who had been the Economic Development Coordinator, stepped in to fill her place. At the end of by fiscal year Katherine Sonnick became the new director. Amanda Pitts came on board as the Planning Assistant when Meghan Grant gave up that roll becoming the Planning and Permit Analyst in June 2012. Taylor Newton remained as the Zoning Administrator and Health officer, but in 2012 became the Town Planner as well. Once again, the Town experienced more housing growth than commercial and industrial.

Category	Number of Permits	Number of New Units	Estimated Dollar Value
Single-family dwelling	15	15	\$3,178,000
Duplex	1	2	\$150,000
Multi-family dwelling	2	16	\$932,031
Triplex	1	3	\$300,000
Residential-Accessory Apartments	1		\$10,000
Residential-Accessory Structures	47		\$257,458
Residential-Alterations*	112		\$2,148,215
New Commercial	2		\$8,300,000
Commercial-Alteration/Amendment	18		\$100,200
Industrial	2		\$7,000,800
Institution	5		\$482,000
Sign	13		\$187,400
Amended Permits	11		
Withdrawn Permits	8		
Denied Permits	7		
Total	245	36	\$23,046,104

*12 permits and \$333460.00 of the value of Residential - Alterations were due to the Flooding in 2011

The Development Review Board (DRB) granted Final Plan approval to eight Minor Conventional Subdivisions creating 12 new building lots and three Planned Unit Developments resulting in 39 new residential units and 14 mixed-use lots. The DRB also granted Final Plan approval to five Planned Unit Development Amendments containing non-residential uses. The DRB approved 11 Site Plan applications, four Site Plan amendment applications, 12 Conditional Use applications, and two Boundary Line Adjustments. The DRB denied four appeals of the Zoning Administrator's Decision.

The Planning Commission established a strategy seeking input for enhancing Route 7. They held a public forum and conducted a survey on the topic. They met with the Ad Hoc Recreation Pathways Committee to discuss pathways, considered requests for zoning changes, and began the review process of the 2013 Comprehensive Plan, and in December sent it to the Selectboard for their approval.

The Economic Development Commission discussed implementing a voluntary maintenance/beautification program, reviewed the Economic Development chapter of the 2013 Comprehensive Plan, conducted business visits with local businesses, and discussed the inclusion of specific development projects in the Regional Planning Commission's ECOS plan.

The Conservation Commission developed a phasing plan for the Milton Municipal Forest and Bove Property to go along with the successfully approved combined management plan. The Commission also held a successful showing of "Dirt: The Movie" in addition to their regular outdoor programs. An invasive species workshop was also held in conjunction with The Nature Conservancy.

Respectfully Submitted,
 Katherine Sonnick, Planning Director

Town Health Officer Annual Report - 2012

The Town of Milton Health Officers provide coverage to the inhabitants of Milton concerning public health complaints seven days a week. The Health Officers receive calls concerning the public health from emergency service providers as well as from private citizens of Milton. During the fiscal year 2011/2012, the Health Officers responded to the following complaints:

Issue	Number of Complaints
Sewage and Septic Failures	2
Odor and Smells	3
Rental Housing Complaints	13
Animal Bites	23
Other	1
Total	42

Town Health Officers issued 3 Emergency Health Orders during the fiscal year. The Milton Board of Health issued 4 Health Orders.

During normal business hours, the Health Officer may be reached at (802) 893-1186. During non-business hours, and during the weekend, the Deputy Health Officer can be reached at 893-7749. Please contact the Health Officer with any questions or complaints concerning the public health.

Respectfully submitted,

Taylor Newton, Health Officer
Roger Dickinson, Deputy Health Officer

Milton Listers and Assessors Office

The Milton Listers and Assessors Office is located in the Municipal Offices of the Town of Milton.

The position of Lister is an elected office and is held in varying terms of 1, 2, & 3 years. There are three Listers. The Listers office currently has vacancies for two of the positions. If you have any interest in the Lister positions please contact the Town Managers office.

The main responsibility of the Listers is to annually provide the town clerk with a Grand List. The Grand List is a cumulating of data utilized to create property Tax Bills. Information contained in the Grandlist includes property locations, file Identification, Tax Map Number, and Assessed Values

The Listers are responsible to fairly and equitably assess each parcel of land within the town. Because of the complexity of maintaining a fair grandlist the town has a staff which provides technical assistance and professional guidance to the Listers. Ultimately the elected officials, Listers, are responsible for the information contained in the Grandlist.

Over the last several years homeowners have been required to file Homestead Declarations. Until recently the declarations needed to be filed only once and unless changes to the status were made the declaration would be effective. In 2012 the legislature changed the requirement and all property owners must file a declaration on an annual basis. If property owners have questions it is recommended that contact be made with the State of Vermont Department of Taxes or by visiting www.vermont.gov and click on Department of Taxes.

In 2012 Georgia Mountain Community Wind erected four wind turbines atop Georgia Mountain. The turbines began generating electricity in December. Due to current legislation regarding collection of education taxes for wind turbines, municipalities are charged to determine the value of large scale (greater than 1 megawatt) wind generation facilities. The Listers office, utilizing best available information calculated the value of the wind facility. The calculation was then utilized to stabilize the taxes for Milton in the form of an annual payment for 10 years. Because payments in lieu of taxes are not allowed in Vermont, the Listers office is not beholden by the agreement which is between the Selectboard and Georgia Wind. If over the course of the next several years data is found to show a greater valuation and resultant taxes being more than the agreement calls for, then the Listers office has the responsibility to assess the property at the fair market value. The Listers office has utilized best case scenarios in determining the potential municipal taxes over the next ten years and the office strongly believes that the agreement between Milton and Georgia Wind will be a net benefit to the town versus relying on an annual tax payment.

The Listers office has regular hours to assist anyone with questions regarding their assessments. Additionally the Listers office assists professionals such as appraisers, attorneys and surveyors, etc. with any questions regarding property values and descriptions.

The Listers office is open to the Public; Monday, Tuesday, Thursday and Friday 9:00 am to 1:00 p.m. and Wednesday 9:00 am to 3:00 p.m.

Phone Number 893-4325

Town of Milton Parks and Recreation...

...the benefits are endless



Our mission is to advance Parks and Recreation efforts by enhancing the quality of life for the community of Milton. The Recreation Department will achieve this by offering a wide variety of healthy lifestyle choices through access, opportunity, and affordable programs.

Throughout 2012, the theme for Recreation was continued momentum and growth via programs, events, facilities and public input gathering. To meet the needs of Milton's growing community, the Selectboard and voters approved an increase in the Recreation Coordinator's hours to 25/week effective July 1, 2012. It is the goal of Recreation staff to continue this trend of increased hours over the next few years to meet the needs of the growing community. Recreation staff continues to increase its advertising and public relations in many ways such as: social media (600+ Facebook "likes" plus many Twitter "followers"), monthly Recreation e-Newsletter (960+ subscribers), up-to-date recreation page of Town website, outreach into the community and, of course, word of mouth. We are always looking for innovative ways to grow programs and participant numbers for all demographics and encourage and actively seek input from community members as to their needs and ideas. Summer Camps offered families a variety of options to choose from for summer fun: Baseball, Nature, Golf, Hair Studio, Arts & Crafts Camps plus Tennis & Swim Lessons and Outdoor Opportunities Day Camp. We were honored to collaborate with MTSD and Hunger Free VT in a 'Summer Food Service Program' providing free summer lunches to campers through summer 2016. In November, we assisted Milton Boy Scouts in bringing the 'Scouting Salute to Veterans Parade' to Milton which also served as the kickoff for Milton's 250th Birthday celebration. The year-round StoryWalk program continues to receive rave reviews and we were happy to once again host the Milton Community Winter Festival, Music in the Park Series and an annual Egg Hunt for kids. Working in collaboration with many Milton organizations and businesses, we have been fortunate to host and/or participate in a wide variety of programs, such as: Pet Event in the Park, Milton Community Winter Festival, Letters to Santa, National Night Out, Milton Girl's Day, Milton Community Activities Fair, Amazing Park Challenge, Healthy Design Task Force, Milton Community Dinner Series, Milton's 250th Birthday Celebration events and more.

What's coming up for 2013? Milton's 250th Birthday Celebration is in full swing and special celebration events sponsored by Milton organizations will take place monthly. An historic event will occur on June 8 and culminate in spectacular July 4th festivities. Milton Recreation will collaborate with MTSD offering a school Hall Walking program during the winter months. The Department was recently awarded a State of Vermont Recreation Facilities Grant which will be instrumental in making much needed improvements to the tennis courts, swings and former shade structure in Middle Rd Park. Over the next few years, Staff and the Recreation Commission will continue to explore potential future projects such as recreational pathways, indoor multi-generational recreation facility, and others. As always, we strive to continue to offer new and exciting programs, events and other recreational opportunities for community members of all ages and continue to collaborate with other organizations in Town.

I would like to extend a special thank you to Assistant Recreation Coordinator, Ben Nappi, as well as the Recreation Commission members for their upbeat attitudes and commitment to this Department and the residents of Milton. Ben plays a key role in day-to-day operations and future vision, created a successful "Tennis til Dusk" program and continues to learn about and assist in all aspects of the Department. The Recreation Commission members are continually supportive, play key roles in the Winter Festival, Milton's 250th Birthday planning and the Recreation Pathways Committee, and they always ask great questions.

The Town of Milton and the Recreation Department would like to thank the many community partners who make it possible to provide the vast array of activities, events and projects. Without the support of these groups, many individual volunteers, local businesses, program instructors and facilitators, and the Milton community as a whole, it would be impossible to provide the services that the citizens of Milton have come to expect in their recreation and leisure activities. **Thank you!**

Respectfully submitted,
Kimberly M Duchesneau, Recreation Coordinator
January 2013

Milton Public Library -- Annual Report

The Library Staff and Trustees of the Milton Public Library would like to express our gratitude and appreciation to the people of Milton for the gorgeous new space, to the approximately 100 volunteers and local businesses that have helped to support the library throughout the year, and to the Milton community for continuing to make the Library a great place to be. Library volunteers continue to be an amazing resource for the Library contributing nearly 3,000 hours throughout the year in the Library and at various Library events. Extra special thanks go out to the Friends of the Library for being enthusiastic advocates and supporters.

This year, the Library is pleased to present our new website at www.miltonlibraryvt.org with full access to our catalog, digital book collections, databases, program information and calendar, and other helpful information. This website is fully functional on mobile devices and can easily be synced with most digital calendars. You can also sign up for regular notifications from the library about special events and news. If you have a suggestion for the website, please give us a call or stop by and let us know what you think.

The Library offered something for everyone with 408 programs that included story times that teach babies and preschoolers early literacy skills, to Book clubs and educational programs for teens and adults. 51 programs were offered for adults, 297 for children, and 60 for young adults. The attendance for adult programs was 404, while 6,015 people attended children's programs and 524 attended young adult programs. The total attendance was 6,943 for 408 programs, nearly 26% increase from the previous year. Our staff has been busy planning crafts and events for the upcoming year with the hope that these numbers will only increase the value of the library within the community. We would like to thank our community partners who co-sponsored 121 of our programs. Another service that was highly utilized by the public continues to be the eight public access computers, which served approximately 8,060 people.

At the end of the year the Library collection consisted of 43,554 items housed in the library as well as 25 electronic databases and a collection of digital books and audiobooks that could be downloaded through Listen Up! Vermont. Our catalog also offers access to over 40,000 digital items in multiple file formats from Project Gutenberg. The databases are provided through a partnership with the Vermont Online Library and provide on-site as well as remote access to resources for children and adults covering a wide range of topics. The collection of digital books and audiobooks contains items for children, teens, and adults. The books can be checked out and downloaded to your personal computer, e-Reader, or listening device. Speaking of e-Readers, the Library has purchased and will begin lending e-Readers next year. The Library plans on preloading these devices with some of the latest titles and classics. We are also proud to present the Technology Petting Zoo with a number of popular devices for patrons to come in and try out and programs each month on how to use library technology on these devices.

Throughout the year approximately 38,740 people visited the Milton Public Library to attend programs, browse the stacks, use the public computers or free wireless, study, read the newspaper, or just came in to chat about books and community events with staff and friends. Our 4,155 registered borrowers checked out 57,981 items, roughly 14 items per person. Patrons borrowed books, eBooks, magazines, audiobooks, DVDs and music to enrich their lives with learning and enjoyment. Partnering with other Vermont libraries through the Vermont Resource Sharing Network, we were able to borrow an additional 322 items from other institutions in an effort to expand offerings while minimizing costs.

The Library Staff and Trustees welcome the community to utilize our resources. Whether you come in and check out an item, use a computer, attend a program, or make use of our digital collections; we are here to meet your information needs. Please stop in, go to our website at www.miltonlibraryvt.org, or call us at 802-893-4644.

Respectfully Submitted,

Scott Murphy

Library Director

The Milton Historical Society & Museum Report

The Milton Historical Museum on School Street welcomed visitors from near and far again this year. The multi-year special exhibit *Women's Work* is still being tweaked. In addition to the beautiful and interesting pieces from the permanent collection, we have loans of antique lace and handkerchiefs from local collectors Nan Marotti and Lorinda Henry on display. Our antique loom, a gift to the museum from Stan Henry, is being refurbished by Dallan Baker and will be a key piece for years to come.

A small collection of souvenir canoes in glass, wood, and ceramic that was especially fun for the summer season has been loaned, and to complement that a huge amount of research on the camps of Milton was undertaken by Barbara Hutchins, who began attending camp here when she was a toddler and now lives here year around. Many thanks go to her, to Jim Ballard, and to Gary Furlong, as well as others, for the vast number of hours spent in researching Milton's history over the past year. Jim continues to do an outstanding job fielding our genealogical information requests, and with Milton High School student help Gary has led the "Images of Milton" book project which is scheduled to be published in Spring 2013.

In connection with Milton's 250th Birthday, the museum is working on some outreach projects, including temporary displays in the Community Room of the town offices, which were installed by tireless volunteer Allison Belisle. Thanks go also to Bill Kaigle for helping library staff choose and present a collection of photos reproduced from the archives. We were also able to do a one-day display of a very large and very fragile old flag made by women of Milton in the 1890s. The Fire Department made room for the viewing of this flag at the kickoff birthday festivities after the Boy Scouts' Salute to Veterans parade in November. The Society's vibrant full-color 2013 historical calendar also features the beautiful quilt made by members in 1981-82 to commemorate Milton's first fifty years. Calendars are available at the Town Clerk's office and the museum, where the quilt is on display.

Thank you to Dustin Keelty and the Town of Milton for helping keep the museum building open and available for visitors near and far, as well as to our amazing group of volunteers for all you do.

Stay tuned to the Milton Independent and other local media, or join our mailing list on Facebook or at miltonhistorical@yahoo.com for upcoming program information and Society events.

The Milton Historical Museum and its volunteers are always ready to welcome people to the building and grounds, but it is also wonderful to have these opportunities for showing the wider community that we are always living in the midst of history, and that our past is never far behind us. We are so grateful for every volunteer, every shared photo, every shred of information and insight into our collective past.

Respectfully submitted,
Lorinda A. Henry
Director, Milton Historical Museum

Bill Kaigle
President, Milton Historical Society

January 2013

**TOWN OF MILTON, VERMONT
 PRE-TOWN MEETING – 2012
 Minutes March 5, 2012
 6 PM
 Milton High School Auditorium**

Call to Order- John Cushing, Town Clerk & Treasurer called pre-town meeting and warned the Town Meeting:

The legal voters of the Town of Milton are hereby notified and warned that there will be a Public Hearing at the Milton Jr./Sr. High School Auditorium in said Town on Monday the 5th of March, 2012 at 6:00 o'clock in the afternoon to discuss the following Australian Ballot items pursuant to Section 806 A/B of the Town of Milton Charter; that the Annual Meeting of the Town of Milton will be held at the Milton Municipal Building in said Town on Tuesday, March 6th, 2012 to vote for the Town Officers and transact any business involving Australian Ballot; said voting by Australian Ballot to begin at 7:00 o'clock in the forenoon and to close at 7:00 o'clock in the afternoon.

Cushing opened the floor for nominations to elect a Moderator pro tem. It was moved and seconded to nominate Mike Morgan for moderator pro tem. With no further nominations, Mossey moved to have the Town Clerk cast one ballot for the election of Mike Morgan, seconded by Gifford. Motion approved unanimously.

Flag Salute - Morgan led those in attendance in the Pledge of Allegiance.

Morgan asked for introductions of the Selectboard and Town Manager

Morgan reviewed the articles of the Town Meeting Warning:

ARTICLE I Shall the voters of the Town accept the reports of the Town Officials as presented in the Town Report?

Cushing reported a correction: Louis Mossey III is shown as Clerk, when in fact John Gifford is the Clerk and Mossey is the Chair. The correction will be made on the ballot.

ARTICLE II To elect all Town/School Officers as required by law and Charter. List of offices and terms to be voted on are as follows:

- | | |
|------------------------|--|
| Moderator- 1 yr. | Library Trustee- Unexpired 1 yr. remaining |
| Selectboard – 3 yr. | Lister -3 yr. |
| Selectboard – 1 yr. | Lister - Unexpired 1 yr. remaining |
| Selectboard - 1 yr. | Town Agent - 1 yr. |
| Town Clerk – 3 yr. | Grand Juror - 1 yr. |
| Town Treasurer – 3 yr. | School Trustee - 3 yr. |
| Library Trustee- 5yr. | School Trustee - 2 yr. |
| | School Trustee - 1 yr. |

ARTICLE III Shall the voters of the Town approve the budget for the Fiscal Year 2013 in the amount of Six Million Four Hundred Sixty Three Thousand Six Hundred Seventy Four Dollars (\$6,463,674). The amount to be raised by taxes of Four Million Six Hundred Forty Thousand Four Hundred Fifteen Dollars (\$4,640,415)?

Palaia presented the details of the proposed budget. Palaia and the Selectboard answered questions from the audience.

ARTICLE IV Shall general obligation bonds of the Town of Milton in an amount not to exceed Four Hundred Fifty Thousand Dollars (\$450,000) be issued for the purpose of replacing the 1980 Baker Tower Truck?

Palaia provided details for the need to replace this vehicle and answered questions from the audience.

ARTICLE V Shall the voters of the Town of Milton establish a Fire and Rescue Equipment Reserve Fund, to be funded with a three-quarter ($\frac{3}{4}$) cent tax for the purpose of paying debt service associated with the replacement of fire trucks, ambulances, and ancillary equipment that becomes necessary from time to time in accordance with such needs that are included in a Capital Improvement Plan approved by the Selectboard?

Gifford spoke to the rationale for the reserve fund and the Selectboard and Palaia answered questions.

ARTICLE VI Shall general obligation bonds of the Town of Milton in an amount not to exceed Eight Hundred Thousand Dollars (\$800,000) subject to reduction from available state and federal grants-in-aid, be issued for the purpose of financing Phase 1 Improvements of the Route 7/Railroad Street/Middle Road Intersection?

Palaia provided background information on this Article and answered questions for the audience.

ARTICLE VII Shall the voters of the Town of Milton establish a Road and Sidewalk Restoration Reserve Fund, to be funded with a ($\frac{1}{2}$) cent tax for the purpose of restoring, resurfacing, and/or reconstructing roads and replacing/repairing sidewalks?

Gifford explained the Article and answered questions.

ARTICLE VIII In order to secure and provide for the payment of obligations to be issued to Finance infrastructure improvements identified within the Town's Tax Increment Financing Plan (TIF) approved by the Vermont Economic Progress Council, shall the Selectboard be authorized to pledge and encumber state and municipal tax increments within the Town Core Tax Increment Financing District (TIF) in an amount equal to the cost of such improvements?"

Gifford explained the Article and answered questions.

ARTICLE IX Shall general obligation bonds of the Town of Milton in amount not to exceed Three Hundred Ninety Five Thousand Dollars (\$395,000) subject to reduction from available state and federal grants-in-aid, be issued for the purpose of financing the completion of improvements for the Village Core Sewer Project, the cost of such improvements to be repaid in part by state and municipal property tax increments received from properties within the Tax Increment Financing (TIF) District?

Palaia explained the Article and answered questions.

ARTICLE X Shall general obligation bonds of the Town of Milton in an amount not to exceed Five Hundred Eighty Thousand Dollars (\$580,000) be issued for Water Distribution System Improvements for River Street, Rugg Ave, and Kienle Rd and to finance the Town's share of utility relocation costs for intersection work at Route 7 and Lake Road?

Palaia explained the Article and answered questions.

Meeting adjourned, and followed by a regular Selectboard meeting.

OFFICIAL BALLOT ANNUAL TOWN / SCHOOL MEETING TOWN OF MILTON MARCH 6, 2012

INSTRUCTIONS TO VOTERS

To vote, fill in the oval(s) completely next to your choice(s), like this:
Write-In: To vote for a valid write-in candidate, write the person's name on the line provided and fill in the oval.

<p style="text-align: center;">FOR MODERATOR</p> <p>One Year Term Vote for not more than ONE</p> <p>_____ Write-In <input type="radio"/></p>	<p style="text-align: center;">FOR LISTER</p> <p>Three Year Term Vote for not more than ONE</p> <p>_____ Write-In <input type="radio"/></p>
<p style="text-align: center;">FOR SELECTBOARD</p> <p>Three Year Term Vote for not more than ONE</p> <p>JOHN C. GIFFORD 1174 <input type="radio"/></p> <p>_____ Write-In <input type="radio"/></p>	<p style="text-align: center;">FOR LISTER</p> <p>Unexpired one year remaining Vote for not more than ONE</p> <p>_____ Write-In <input type="radio"/></p>
<p style="text-align: center;">FOR SELECTBOARD</p> <p>One Year Term Vote for not more than TWO</p> <p>JOHN W. BARTLETT 1087 <input type="radio"/></p> <p>LOUIS H. MOSSEY, III 1050 <input type="radio"/></p> <p>_____ Write-In <input type="radio"/></p> <p>_____ Write-In <input type="radio"/></p>	<p style="text-align: center;">FOR LIBRARY TRUSTEE</p> <p>Five Year Term Vote for not more than ONE</p> <p>TOM FRANK 1131 <input type="radio"/></p> <p>_____ Write-In <input type="radio"/></p>
<p style="text-align: center;">FOR TOWN CLERK</p> <p>Three Year Term Vote for not more than ONE</p> <p>JOHN P. CUSHING 1391 <input type="radio"/></p> <p>_____ Write-In <input type="radio"/></p>	<p style="text-align: center;">FOR LIBRARY TRUSTEE</p> <p>Unexpired one year remaining Vote for not more than ONE</p> <p>VERONICA VALZ SIMKO 1135 <input type="radio"/></p> <p>_____ Write-In <input type="radio"/></p>
<p style="text-align: center;">FOR TOWN TREASURER</p> <p>Three Year Term Vote for not more than ONE</p> <p>JOHN P. CUSHING 1356 <input type="radio"/></p> <p>_____ Write-In <input type="radio"/></p>	<p style="text-align: center;">FOR SCHOOL TRUSTEE</p> <p>Three Year Term Vote for not more than ONE</p> <p>MARY KNIGHT 1189 <input type="radio"/></p> <p>_____ Write-In <input type="radio"/></p>
<p style="text-align: center;">FOR TOWN GRAND JUROR</p> <p>One Year Term Vote for not more than ONE</p> <p>_____ Write-In <input type="radio"/></p>	<p style="text-align: center;">FOR SCHOOL TRUSTEE</p> <p>Two Year Term Vote for not more than ONE</p> <p>ERIC HOUGHTON 1120 <input type="radio"/></p> <p>_____ Write-In <input type="radio"/></p>
<p style="text-align: center;">FOR TOWN AGENT</p> <p>One Year Term Vote for not more than ONE</p> <p>_____ Write-In <input type="radio"/></p>	<p style="text-align: center;">FOR SCHOOL TRUSTEE</p> <p>One Year Term Vote for not more than ONE</p> <p>REGINALD R. GODIN 1182 <input type="radio"/></p> <p>_____ Write-In <input type="radio"/></p>

Total Registered Voters on checklist 6937

Total Number of Voters checked off 1543

TURN BALLOT OVER AND VOTE BOTH SIDES

TOWN ARTICLES

ARTICLE I:

Shall the voters of the Town accept the reports of the Town Officials as presented in the Town Report?

1383 YES

70 NO

ARTICLE III:

Shall the voters of the Town approve the budget for the Fiscal Year 2013 in the amount of Six Million Four Hundred Sixty-Three Thousand Six Hundred Seventy-Four Dollars (\$6,463,674.00), the amount to be raised by taxes of Four Million Six Hundred Forty Thousand Four Hundred Fifteen Dollars (\$4,640,415.00)?

975 YES

495 NO

ARTICLE IV:

Shall general obligation bonds of the Town of Milton in an amount not to exceed Four Hundred Fifty Thousand Dollars (\$450,000) be issued for the purpose of replacing the 1980 Baker Tower Truck?

1077 YES

399 NO

ARTICLE V:

Shall the voters of the Town of Milton establish a Fire and Rescue Equipment Reserve Fund, to be funded with a three-quarter (3/4) cent tax for the purpose of paying debt service and/or direct costs associated with the replacement of fire trucks, ambulances, and ancillary equipment that becomes necessary from time to time in accordance with such needs that are included in a Capital Improvement Plan approved by the Selectboard?

1124 YES

363 NO

ARTICLE VI:

Shall general obligation bonds of the Town of Milton in an amount not to exceed Eight Hundred Thousand Dollars (\$800,000) subject to reduction from available state and federal grants-in-aid, be issued for the purpose of financing Phase 1 Improvements of the Route 7/Railroad Street/Middle Road Intersection?

1044 YES

431 NO

ARTICLE VII:

Shall the voters of the Town of Milton establish a Road and Sidewalk Restoration Reserve Fund, to be funded with a half (1/2) cent tax for the purpose of restoring, resurfacing, and/or reconstructing roads and replacing/repairing sidewalks?

1002 YES

483 NO

ARTICLE VIII:

In order to secure and provide for the payment of obligations to be issued to finance infrastructure improvements identified within the Town's Tax Increment Financing Plan (TIF) approved by the Vermont Economic Progress Council, shall the Selectboard be authorized to pledge and encumber state and municipal tax increments within the Town Core Tax Increment Financing District (TIF) in an amount equal to the cost of such improvements?

864 YES

544 NO

ARTICLE IX:

Shall general obligation bonds of the Town of Milton in amount not to exceed Three Hundred Ninety-Five Thousand Dollars (\$395,000) subject to reduction from available state and federal grants-in-aid, be issued for the purpose of financing the completion of improvements for the Village Core Sewer Project, the cost of such improvements to be repaid in part by state and municipal property tax increments received from properties within the Tax Increment Financing (TIF) District?

1016 YES

447 NO

ARTICLE X:

Shall general obligation bonds of the Town of Milton in an amount not to exceed Five Hundred Eighty Thousand Dollars (\$580,000) be issued for Water Distribution System Improvements for River Street, Rugg Ave, and Kienle Rd and to finance the Town's share of utility relocation costs for intersection work at Route 7 and Lake Road?

940 YES

514 NO

SCHOOL ARTICLE

ARTICLE 1:

Shall the voters of Milton Town School District appropriate twenty four million, nine hundred thirty eight thousand, three hundred fifty eight dollars (\$24,938,358), necessary for the support of the schools for the year beginning July 1, 2012, of which appropriation one million, six hundred fifty one thousand, three hundred sixty five dollars (\$1,651,365) shall be funded by grants-in-aid and twenty three million, two hundred eighty six thousand, nine hundred ninety three dollars (\$23,286,993) shall be raised by taxation and other local revenue sources?

845 YES

646 NO

TURN BALLOT OVER AND VOTE BOTH SIDES

**WARNING – TOWN OF MILTON, VERMONT
ANNUAL MEETING – 2013**

The legal voters of the Town of Milton are hereby notified and warned that there will be a Public Hearing at the Milton High School Auditorium in said Town on Monday the 4th of March, 2013 at 6:00 o'clock in the afternoon to discuss the following Australian Ballot items pursuant to Section 806 A/B of the Town of Milton Charter; that the Annual Meeting of the Town of Milton will be held at the Milton Municipal Building in said Town on Tuesday, March 5th, 2013 to vote for the Town Officers and transact any business involving Australian Ballot; said voting by Australian Ballot to begin at 7:00 o'clock in the forenoon and to close at 7:00 o'clock in the afternoon.

ARTICLE I Shall the voters of the Town accept the reports of the Town Officials as presented in the Town Report?

ARTICLE II To elect all Town/School Officers as required by law and Charter. List of offices and terms to be voted on are as follows:

Moderator – 1 yr.	Lister –3 yr
Selectboard – 3 yr.	Lister – Unexpired 2 yr. remaining
Selectboard – 1 yr.	Town Agent – 1 yr.
Selectboard – 1 yr.	Library Trustee – 5yr
Grand Juror – 1 yr.	Champlain Water Dist. Rep – 3 yr.
	School Trustee – 3 yr.
	School Trustee – 1 yr.

ARTICLE III Shall the voters of the Town approve the budget for the Fiscal Year 2014 in the amount of Six Million Nine Hundred Forty Five Thousand Two Hundred Seventy Two Dollars (\$6,945,272). The amount to be raised by taxes of Four Million Eight Hundred Twenty Thousand One Hundred Twenty Nine Dollars (\$4,820,129)?

ARTICLE IV Shall general obligation bonds of the Town of Milton in an amount not to exceed Two Hundred Forty Thousand Dollars (\$240,000) be issued for the purpose of financing the cost of making certain improvements, namely: the repair and rehabilitation of certain sections of the Wastewater Collection System estimated cost of Two Hundred Forty Thousand Dollars (\$240,000)?

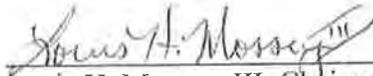
ARTICLE V Shall the Town of Milton establish a public recreation capital reserve fund and appropriate thereto the sum of a ½ cent levy on the tax rate for the fiscal year commencing July 1, 2013?

ARTICLE VI

Shall the Town of Milton exempt from real estate taxes, pursuant to 32 V.S.A., Section 3840, the property of the Arrowhead Senior Center located at 46 Middle Road in the Town of Milton, Vermont, for a period of five (5) years?

Date:

Milton Selectboard



Louis H. Mossey, III, Chairperson

Darren Adams, Vice Chair



John Gifford, Clerk



John Bartlett

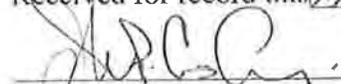


Pamela McKenna

Dated this 23 of January, 2013

Posting/Publication:

Received for record this 23 day of January, 2013.



John P. Cushing
Town Clerk/Treasurer

RESOLUTION OF INTENT

WHEREAS, the Selectboard of the Town of Milton has determined that the public interest and necessity require making certain improvements, namely: the repair and rehabilitation of certain sections of the Wastewater Collection System as described in the Sewer System Replacement and Rehabilitation Preliminary Engineering Study prepared in May 2012;

WHEREAS, the Selectboard estimates the cost of this project to be Two Hundred Forty Thousand Dollars (\$240,000); and,

WHEREAS, the cost of financing this project is too great to be paid out of the ordinary annual income and revenue of the Town of Milton Wastewater Revenue Fund.

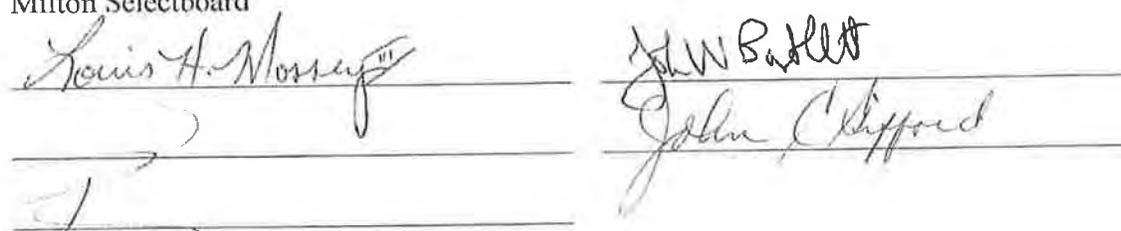
NOW THEREFORE BE IT RESOLVED, that the issuance of general obligation bonds of the Town of Milton, Vermont in the aggregate amount not to exceed Two Hundred Forty Thousand Dollars (\$240,000) to pay for its cost of the same, should be submitted to the voters of the Town of Milton at a Town Meeting to be duly warned and held for that purpose on March 5, 2013; and

BE IT FURTHER RESOLVED, by the Selectboard of the Town of Milton that the proposition of incurring bonded debt be submitted to the qualified voters of the Town of Milton as follows:

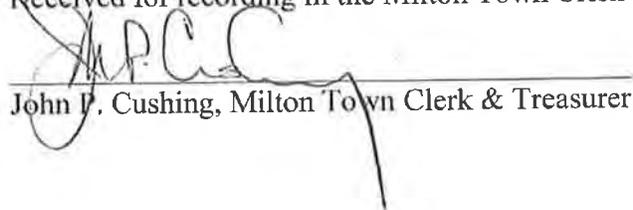
ARTICLE IV Shall general obligation bonds of the Town of Milton in an amount not to exceed Two Hundred Forty Thousand Dollars (\$240,000) be issued for the purpose of financing the cost of making certain improvements, namely: the repair and rehabilitation of certain sections of the Wastewater Collection System estimated cost of Two Hundred Forty Thousand Dollars (\$240,000)?

BE IT FURTHER RESOLVED, that a vote on said proposition be conducted by Australian Ballot, at the March 5, 2013 Town Meeting to be held at the Milton Municipal Building at which meeting the polls will be open at 7:00 A.M. and close at 7:00 P.M. and a public hearing will be held on March 4, 2013 at 6:00 P.M. at the Milton High School Auditorium to receive input on the proposed bond vote article.

Date:
Milton Selectboard



Received for recording in the Milton Town Clerk's Office this


John P. Cushing, Milton Town Clerk & Treasurer

COMPARATIVE BUDGET SHEET

Department	FY11 Voted	FY11 Actual	FY12 Voted	FY12 Actual	FY13 Voted	FY14 Selectboard
Selectboard	58,147	52,092	58,134	59,162	56,389	60,512
Elections	18,246	14,622	7,699	4,371	19,915	6,391
Ins Risk Mgmt	217,280	204,699	206,997	197,292	217,546	247,734
Legal	30,000	16,300	31,000	48,901	31,000	39,500
Prop. Tax&Assessments	96,818	97,794	89,042	86,749	98,934	101,950
Town Manager	298,948	251,597	272,803	235,748	242,870	256,095
Town Clerk	254,571	240,648	271,695	254,754	301,024	318,151
Finance Dept	230,755	224,514	223,952	211,021	253,303	222,258
Listers	64,293	53,902	66,501	56,655	66,285	68,564
Contingency	30,000	-	54,290		58,666	81,332
Admin Services	14,055	10,818	60,790	46,075	190,997	192,714
Info. Technology	40,141	37,094	40,911	38,265	49,621	50,110
Police	1,502,592	1,384,377	1,599,154	1,488,640	1,570,668	1,670,860
Fire	244,249	200,539	243,066	211,613	245,217	261,686
Rescue	245,337	211,617	259,952	200,959	264,766	269,491
Animal Control	11,718	5,158	11,137	9,127	10,944	12,518
Public Works	152,165	136,736	149,664	131,321	162,162	167,340
Highway	1,162,324	1,132,032	1,145,996	867,179	1,127,765	1,187,649
Bldg & Grounds	306,344	277,984	294,341	289,934	292,128	348,469
Health	41,688	40,536	30,552	27,200	28,718	30,822
Library	223,558	214,532	235,115	222,282	237,584	237,584
Recreation	103,832	89,770	108,774	101,583	122,771	138,065
Planning	279,769	264,366	274,972	231,388	273,413	277,580
EDBCAC	12,805	11,847	12,475	11,027	13,780	13,165
Debt	125,087	610,715	289,338	265,766	344,808	337,432
Capital Improvement	130,500	130,500	133,000	192,775	182,400	347,300
Total	5,895,222	5,914,789	6,171,350	5,489,788	6,463,674	6,945,272

COMPARATIVE REVENUE SHEET

Account Description	FY12 Voted Budget	FY12 Actual Received	FY13 Voted Budget	FY14 Selectboard Approved
RAILROAD TAXES	1,315	1,505	1,315	1,315
STATE LAND TAXES	16,399	16,399	16,399	16,339
USE VALUE HOLD HARMLESS	41,600	44,064	41,600	41,600
PENALTY ON LATE HS-131	500	-	500	500
SCHOOL TAX COLLECTION FEES	22,500	23,592	22,500	23,592
INTEREST ON DEL TAXES	35,000	26,361	35,000	35,000
PENALTIES ON DEL TAXES	53,000	49,869	57,000	57,000
STATE LAND PILOT	3,200	2,936	3,200	3,200
VLCT HEALTH TRUST LEADER WELLNESS	9,300	-	-	-
VLCT PACIF LEADER PROGRAM	2,700	2,681	2,700	3,000
ALLOWANCE FOR UNCOLLECTIBLE TAXEX				22,416
1/2 CENT FOR ROAD REST/SIDEWALK REP				55,420
3/4 CENT FOR FIRE/RESCUE CAPITAL RES				83,130
FISH & WILDLIFE LIC FEES	600	899	600	600
MOTOR VEHICLE RENEWAL	3,500	2,466	3,500	3,500
DOG LICENSES	4,500	3,804	4,500	4,500
SCHOOL'S SHARE FINANCE	138,826	134,372	151,069	154,500
WATER/SEWER ADMIN REIMB.	270,431	270,431	316,504	315,170
SCHOOL SHARE ELECTIONS	1,500	2,076	1,500	1,500
LIBRARY FEES	35	1,066	35	500
LIBRARY DONATIONS	2,369	-	2,369	-
RECORDING FEES	125,000	109,916	100,000	100,000
PASSPORT REVENUES	6,000	-	-	-
OPER TRAN IN- RECORDING/ACS	18,000	17,485	20,000	22,000
OPER TRAN IN- RECORD RETENTION FUND	5,000	-	-	-
LISTER FEES	100	210	100	100
APPRAISAL FEES	1,076	-	1,076	1,076
LISTER'S EDUCATION	600	427	600	600
INTEREST ON INVESTMENTS	20,000	9,273	12,000	12,000
MISCELLANEOUS INCOME	2,500	63	2,500	-
HEALTH INSURANCE STABILIZATION FUND				18,500
INTEREST ON IMPACT FEES				4,000
OPERATING TRANSFER IN	30,000	30,000	30,000	30,000
OPERATING TRASNFER IN MAIN STREET BOND			16,231	16,231
OPER TRAN IN- INTEREST	-	-	-	-
REDUCTION IN DEBT SERVICE FUND	-	-	40,000	40,000
POLICE FINES AND COSTS	47,500	27,170	35,000	35,000
POLICE FEES	2,600	2,865	2,600	2,600
POLICE CONTRACTS	20,000	77,464	30,000	30,000
BALLISTIC VESTS GRANT	-	937	1,500	1,500
CDIP GRANT	-	3,099	3,000	3,000
POLICE DONATIONS	200	-	200	-
COPS GRANT	-	31,654	66,988	66,988
FIRE DEPT FEES	5,000	1,270	5,000	7,000
FIRE DEPT INS REIMBURSEMENT	1,929	-	1,929	1,900
RESCUE DEPT FEES	240,000	184,460	225,000	225,000
RESCUE DONATIONS	3,000	4,503	3,500	3,500
POUND FEES	6,000	3,869	6,000	6,000
INTEREST ON RESCUE DONATIONS	7	13	7	10
STATE AID TO HIGHWAYS	225,000	232,017	225,000	232,017
PUBLIC WORKS FEES	2,500	3,075	2,500	2,500
ENGINEER FEES	1,000	-	1,000	1,000
CONCESSION VENDOR FEES	-	200	-	100
RECREATION FEES	37,654	38,207	34,000	46,000
THEME PARKS	8,900	12,318	13,500	13,500
REC FIELD USAGE	3,000	3,240	3,000	3,500
AFTER SCHOOL BOWLING	-	500	-	500
TRAVELERS	3,500	-	-	-
BOOKMOBILE INSURANCE REIMB.	400	409	400	409
RESOURCE SHARING GRANT	-	378	-	-
BUILDING PERMIT FEES	20,000	40,179	25,000	26,000
PLANNING FEES	14,000	13,232	13,890	13,890
JUNK YARD LIC FEES	-	-	-	-
TOTAL REVENUES FROM ABOVE	1,457,741	1,430,954	1,581,812	1,789,203
AMOUNT USED FROM FUND BALANCE	330,000	-	347,500	335,940
PROPERTY TAXES	4,452,662	4,366,735	4,640,415	4,820,129
ALLOWANCE FOR TIF DISTRICTS	(69,053)	-	(106,053)	-
GRAND TOTAL REVENUES	6,171,350	5,797,689	6,463,674	6,945,272

COMPARISON FY13/FY14 BUDGET

401 SELECTBOARD

FY13

Voted
Budget

FY14

Selectboard
Approved

100 Series	Personnel Services-Salaries & Wages		9,145	10,045
200 Series	Personnel Services-Employee Benefits		700	768
300 Series	Purchased Professional & Technical Services		26,000	27,000
400 Series	Purchased Property Services		-	-
500 Series	Other Purchased Services		4,525	4,635
600 Series	Supplies		1,230	1,230
700 Series	Property (Capital expenditures-not program)		-	-
800 Series	Other Objects		14,789	16,834
900 Series	Debt Service		-	-
TOTALS			56,389	60,512

402 ELECTIONS

FY13

Voted
Budget

FY14

Selectboard
Approved

100 Series	Personnel Services-Salaries & Wages		10,000	2,500
200 Series	Personnel Services-Employee Benefits		765	191
300 Series	Purchased Professional & Technical Services		4,500	1,450
400 Series	Purchased Property Services		-	-
500 Series	Other Purchased Services		2,100	1,100
600 Series	Supplies		2,450	1,050
700 Series	Property (Capital expenditures-not program)		-	-
800 Series	Other Objects		100	100
900 Series	Debt Service		-	-
TOTALS			19,915	6,391

404 INSURANCE RISK MANAGEMENT

FY13

Voted
Budget

FY14

Selectboard
Approved

100 Series	Personnel Services-Salaries & Wages		-	-
200 Series	Personnel Services-Employee Benefits		89,420	96,800
300 Series	Purchased Professional & Technical Services		-	-
400 Series	Purchased Property Services		-	-
500 Series	Other Purchased Services		128,126	150,934
600 Series	Supplies		-	-
700 Series	Property (Capital expenditures-not program)		-	-
800 Series	Other Objects		-	-
900 Series	Debt Service		-	-
TOTALS			217,546	247,734

405 LEGAL**FY13****FY14**Voted
BudgetSelectboard
Approved

100 Series	Personnel Services-Salaries & Wages		-	-
200 Series	Personnel Services-Employee Benefits		-	-
300 Series	Purchased Professional & Technical Services		31,000	39,500
400 Series	Purchased Property Services		-	-
500 Series	Other Purchased Services		-	-
600 Series	Supplies		-	-
700 Series	Property (Capital expenditures-not program)		-	-
800 Series	Other Objects		-	-
900 Series	Debt Service		-	-
TOTALS			31,000	39,500

406 PROPERTY TAXES & ASSESSEMENTS**FY13****FY14**Voted
BudgetSelectboard
Approved

100 Series	Personnel Services-Salaries & Wages		-	-
200 Series	Personnel Services-Employee Benefits		-	-
300 Series	Purchased Professional & Technical Services		-	-
400 Series	Purchased Property Services		-	-
500 Series	Other Purchased Services		-	-
600 Series	Supplies		-	-
700 Series	Property (Capital expenditures-not program)		-	-
800 Series	Other Objects		98,934	101,950
900 Series	Debt Service		-	-
TOTALS			98,934	101,950

410 TOWN MANAGER**FY13****FY14**Voted
BudgetSelectboard
Approved

100 Series	Personnel Services-Salaries & Wages		178,992	187,346
200 Series	Personnel Services-Employee Benefits		52,748	58,484
300 Series	Purchased Professional & Technical Services		2,000	1,000
400 Series	Purchased Property Services		-	-
500 Series	Other Purchased Services		3,220	3,155
600 Series	Supplies		2,295	2,695
700 Series	Property (Capital expenditures-not program)		300	300
800 Series	Other Objects		3,315	3,115
900 Series	Debt Service		-	-
TOTALS			242,870	256,095

412 TOWN CLERK

FY13
Voted
Budget

FY14
Selectboard
Approved

100 Series	Personnel Services-Salaries & Wages		211,819	221,546
200 Series	Personnel Services-Employee Benefits		57,650	63,825
300 Series	Purchased Professional & Technical Services		20,700	22,450
400 Series	Purchased Property Services		1,400	1,400
500 Series	Other Purchased Services		1,225	1,275
600 Series	Supplies		5,300	5,100
700 Series	Property (Capital expenditures-not program)		900	900
800 Series	Other Objects		2,030	1,655
900 Series	Debt Service		-	-
TOTALS			301,024	318,151

413 FINANCE DEPARTMENT

FY13
Voted
Budget

FY14
Selectboard
Approved

100 Series	Personnel Services-Salaries & Wages		173,971	151,258
200 Series	Personnel Services-Employee Benefits		63,017	53,805
300 Series	Purchased Professional & Technical Services		-	300
400 Series	Purchased Property Services		-	-
500 Series	Other Purchased Services		3,860	4,190
600 Series	Supplies		11,100	11,100
700 Series	Property (Capital expenditures-not program)		900	900
800 Series	Other Objects		455	705
900 Series	Debt Service		-	-
TOTALS			253,303	222,258

414 LISTERS

FY13
Voted
Budget

FY14
Selectboard
Approved

100 Series	Personnel Services-Salaries & Wages		35,229	37,143
200 Series	Personnel Services-Employee Benefits		2,695	2,841
300 Series	Purchased Professional & Technical Services		25,500	25,500
400 Series	Purchased Property Services		-	-
500 Series	Other Purchased Services		751	920
600 Series	Supplies		960	1,010
700 Series	Property (Capital expenditures-not program)		900	900
800 Series	Other Objects		250	250
900 Series	Debt Service		-	-
TOTALS			66,285	68,564

415 CONTINGENCY**FY13****FY14**Voted
BudgetSelectboard
Approved

100 Series	Personnel Services-Salaries & Wages		-	-
200 Series	Personnel Services-Employee Benefits		-	-
300 Series	Purchased Professional & Technical Services		-	-
400 Series	Purchased Property Services		-	-
500 Series	Other Purchased Services		-	-
600 Series	Supplies		-	-
700 Series	Property (Capital expenditures-not program)		-	-
800 Series	Other Objects		58,666	81,332
900 Series	Debt Service		-	-
TOTALS			58,666	81,332

416 ADMINISTRATIVE SERVICES**FY13****FY14**Voted
BudgetSelectboard
Approved

100 Series	Personnel Services-Salaries & Wages		-	-
200 Series	Personnel Services-Employee Benefits		178,803	178,834
300 Series	Purchased Professional & Technical Services		1,100	1,285
400 Series	Purchased Property Services		4,460	4,900
500 Series	Other Purchased Services		1,360	1,850
600 Series	Supplies		5,224	5,685
700 Series	Property (Capital expenditures-not program)		-	-
800 Series	Other Objects		50	160
900 Series	Debt Service		-	-
TOTALS			190,997	192,714

418 INFORMATION TECHNOLOGY**FY13****FY14**Voted
BudgetSelectboard
Approved

100 Series	Personnel Services-Salaries & Wages		-	-
200 Series	Personnel Services-Employee Benefits		-	-
300 Series	Purchased Professional & Technical Services		36,100	39,215
400 Series	Purchased Property Services		-	-
500 Series	Other Purchased Services		10,876	8,150
600 Series	Supplies		750	750
700 Series	Property (Capital expenditures-not program)		1,610	1,710
800 Series	Other Objects		285	285
900 Series	Debt Service		-	-
TOTALS			49,621	50,110

420 POLICE DEPARTMENT**FY13**
Voted
Budget**FY14**
Selectboard
Approved

100 Series	Personnel Services-Salaries & Wages		1,011,471	1,057,218
200 Series	Personnel Services-Employee Benefits		326,681	362,124
300 Series	Purchased Professional & Technical Services		99,751	111,970
400 Series	Purchased Property Services		19,016	20,266
500 Series	Other Purchased Services		25,404	24,892
600 Series	Supplies		72,505	79,225
700 Series	Property (Capital expenditures-not program)		3,685	3,085
800 Series	Other Objects		12,155	12,080
900 Series	Debt Service		-	-
TOTALS			1,570,668	1,670,860

421 FIRE DEPARTMENT**FY13**
Voted
Budget**FY14**
Selectboard
Approved

100 Series	Personnel Services-Salaries & Wages		98,562	104,890
200 Series	Personnel Services-Employee Benefits		12,912	14,121
300 Series	Purchased Professional & Technical Services		46,110	47,927
400 Series	Purchased Property Services		23,775	25,507
500 Series	Other Purchased Services		2,338	2,495
600 Series	Supplies		13,370	15,981
700 Series	Property (Capital expenditures-not program)		39,675	41,875
800 Series	Other Objects		8,475	8,890
900 Series	Debt Service		-	-
TOTALS			245,217	261,686

422 RESCUE DEPARTMENT**FY13**
Voted
Budget**FY14**
Selectboard
Approved

100 Series	Personnel Services-Salaries & Wages		123,557	124,798
200 Series	Personnel Services-Employee Benefits		21,409	21,554
300 Series	Purchased Professional & Technical Services		56,735	56,812
400 Series	Purchased Property Services		7,825	8,725
500 Series	Other Purchased Services		3,750	3,550
600 Series	Supplies		25,665	27,952
700 Series	Property (Capital expenditures-not program)		10,725	12,325
800 Series	Other Objects		15,100	13,775
900 Series	Debt Service		-	-
TOTALS			264,766	269,491

423 ANIMAL CONTROL**FY13**
Voted
Budget**FY14**
Selectboard
Approved

100 Series	Personnel Services-Salaries & Wages		2,700	3,500
200 Series	Personnel Services-Employee Benefits		207	268
300 Series	Purchased Professional & Technical Services		1,400	1,865
400 Series	Purchased Property Services		-	-
500 Series	Other Purchased Services		5,947	6,150
600 Series	Supplies		390	435
700 Series	Property (Capital expenditures-not program)		-	-
800 Series	Other Objects		300	300
900 Series	Debt Service		-	-
TOTALS			10,944	12,518

429 PUBLIC WORKS ADMINISTRATION**FY13**
Voted
Budget**FY14**
Selectboard
Approved

100 Series	Personnel Services-Salaries & Wages		88,888	92,589
200 Series	Personnel Services-Employee Benefits		28,414	30,578
300 Series	Purchased Professional & Technical Services		22,100	18,800
400 Series	Purchased Property Services		-	-
500 Series	Other Purchased Services		6,900	7,116
600 Series	Supplies		3,010	4,230
700 Series	Property (Capital expenditures-not program)		500	1,400
800 Series	Other Objects		12,350	12,627
900 Series	Debt Service		-	-
TOTALS			162,162	167,340

430 HIGHWAY**FY13**
Voted
Budget**FY14**
Selectboard
Approved

100 Series	Personnel Services-Salaries & Wages		334,844	352,676
200 Series	Personnel Services-Employee Benefits		123,612	141,881
300 Series	Purchased Professional & Technical Services		27,000	27,500
400 Series	Purchased Property Services		342,700	356,500
500 Series	Other Purchased Services			2,220
600 Series	Supplies		294,111	298,372
700 Series	Property (Capital expenditures-not program)		4,500	7,500
800 Series	Other Objects		1,000	1,000
900 Series	Debt Service		-	-
TOTALS			1,127,767	1,187,649

432 BUILDING & GROUNDS**FY13**
Voted
Budget**FY14**
Selectboard
Approved

100 Series	Personnel Services-Salaries & Wages		100,779	105,874
200 Series	Personnel Services-Employee Benefits		35,766	42,191
300 Series	Purchased Professional & Technical Services		4,100	12,600
400 Series	Purchased Property Services		36,602	40,002
500 Series	Other Purchased Services		-	2,600
600 Series	Supplies		113,931	144,252
700 Series	Property (Capital expenditures-not program)		650	650
800 Series	Other Objects		300	300
900 Series	Debt Service		-	-
TOTALS			292,128	348,469

441 HEALTH/OUTSIDE AGENCIES**FY13**
Voted
Budget**FY14**
Selectboard
Approved

100 Series	Personnel Services-Salaries & Wages		8,261	8,641
200 Series	Personnel Services-Employee Benefits		977	1,881
300 Series	Purchased Professional & Technical Services		150	150
400 Series	Purchased Property Services		-	-
500 Series	Other Purchased Services		-	-
600 Series	Supplies		175	175
700 Series	Property (Capital expenditures-not program)		-	-
800 Series	Other Objects		19,155	19,975
900 Series	Debt Service		-	-
TOTALS			28,718	30,822

451 LIBRARY**FY13**
Voted
Budget**FY14**
Selectboard
Approved

100 Series	Personnel Services-Salaries & Wages		123,254	125,143
200 Series	Personnel Services-Employee Benefits		39,939	44,131
300 Series	Purchased Professional & Technical Services		14,639	13,039
400 Series	Purchased Property Services		-	-
500 Series	Other Purchased Services		2,530	2,432
600 Series	Supplies		48,952	48,625
700 Series	Property (Capital expenditures-not program)		5,000	2,214
800 Series	Other Objects		3,270	2,000
900 Series	Debt Service		-	-
TOTALS			237,584	237,584

Note: The Library budget for FY 2014 reflects the Selectboard Approved bottom line and a proposal to reflect the Selectboard budget changes in individual line items that could not be approved by the Library Trustees prior to report publication due to the required timing of issuing the Annual Report.

452 RECREATION**FY13**Voted
Budget**FY14**Selectboard
Approved

100 Series	Personnel Services-Salaries & Wages		41,792	52,152
200 Series	Personnel Services-Employee Benefits		4,170	5,424
300 Series	Purchased Professional & Technical Services			
400 Series	Purchased Property Services		2,500	6,000
500 Series	Other Purchased Services		5,925	5,825
600 Series	Supplies		2,764	2,764
700 Series	Property (Capital expenditures-not program)		1,200	1,200
800 Series	Other Objects		64,420	64,700
900 Series	Debt Service		-	-
TOTALS			122,771	138,065

461 PLANNING & ECONOMIC DEVELOPMENT**FY13**Voted
Budget**FY14**Selectboard
Approved

100 Series	Personnel Services-Salaries & Wages		190,960	188,872
200 Series	Personnel Services-Employee Benefits		60,535	66,381
300 Series	Purchased Professional & Technical Services			1,250
400 Series	Purchased Property Services			-
500 Series	Other Purchased Services		6,638	6,300
600 Series	Supplies		3,950	3,887
700 Series	Property (Capital expenditures-not program)		1,600	1,450
800 Series	Other Objects		9,731	9,440
900 Series	Debt Service		-	-
TOTALS			273,414	277,580

463 ECON.DEV.BUSINESS & COMM.ADVISORY**FY13**Voted
Budget**FY14**Selectboard
Approved

100 Series	Personnel Services-Salaries & Wages		-	-
200 Series	Personnel Services-Employee Benefits		-	-
300 Series	Purchased Professional & Technical Services		-	-
400 Series	Purchased Property Services		-	-
500 Series	Other Purchased Services		920	720
600 Series	Supplies		295	285
700 Series	Property (Capital expenditures-not program)		-	-
800 Series	Other Objects		12,565	12,160
900 Series	Debt Service		-	-
TOTALS			13,780	13,165

470 DEBT SERVICE

FY13
Voted
Budget

FY14
Selectboard
Approved

100 Series	Personnel Services-Salaries & Wages		-	-
200 Series	Personnel Services-Employee Benefits		-	-
300 Series	Purchased Professional & Technical Services		-	-
400 Series	Purchased Property Services		-	-
500 Series	Other Purchased Services		-	-
600 Series	Supplies		-	-
700 Series	Property (Capital expenditures-not program)		-	-
800 Series	Other Objects		-	-
900 Series	Debt Service		344,808	337,432
TOTALS			344,808	337,432

491 CAPITAL IMPROVEMENT

FY13
Voted
Budget

FY14
Selectboard
Approved

100 Series	Personnel Services-Salaries & Wages		-	-
200 Series	Personnel Services-Employee Benefits		-	-
300 Series	Purchased Professional & Technical Services		-	-
400 Series	Purchased Property Services		-	-
500 Series	Other Purchased Services		-	-
600 Series	Supplies		-	-
700 Series	Property (Capital expenditures-not program)		182,400	-
800 Series	Other Objects		-	-
900 Series	Debt Service			347,300
TOTALS			182,400	347,300

TOTAL GENERAL FUND BUDGETS

\$ 6,463,677	\$ 6,945,272
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ENTERPRISE FUNDS

410 WATER DEPARTMENT

FY13

FY14

Voted
Budget

Selectboard
Approved

100 Series	Personnel Services-Salaries & Wages		130,298	133,832
200 Series	Personnel Services-Employee Benefits		56,729	60,830
300 Series	Purchased Professional & Technical Services		162,347	160,710
400 Series	Purchased Property Services		318,838	339,394
500 Series	Other Purchased Services		10,318	9,133
600 Series	Supplies		47,112	48,400
700 Series	Property (Capital expenditures-not program)		639,760	24,950
800 Series	Other Objects		4,265	2,802
900 Series	Debt Service		92,387	84,622
TOTALS			1,462,054	864,673

420 WASTEWATER DEPARTMENT

FY13

FY14

Voted
Budget

Selectboard
Approved

100 Series	Personnel Services-Salaries & Wages		135,762	154,678
200 Series	Personnel Services-Employee Benefits		57,888	71,683
300 Series	Purchased Professional & Technical Services		208,607	160,710
400 Series	Purchased Property Services		41,894	45,075
500 Series	Other Purchased Services		16,475	14,587
600 Series	Supplies		184,909	194,528
700 Series	Property (Capital expenditures-not program)		407,550	241,900
800 Series	Other Objects		3,590	4,490
900 Series	Debt Service		301,458	301,458
TOTALS			\$ 1,358,133	\$ 1,189,109

TOTAL ENTERPRISE FUND BUDGETS

\$ 2,820,187	\$ 2,053,782
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Milton Town School District



School Information & Proposed Budget

Sullivan, Powers & Co.
CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL CORPORATION

77 Barre Street
P.O. Box 947
Montpelier, VT 05601
802/223-2352
802/223-3578 FAX

Fred Duplessis, CPA
Richard J. Brigham, CPA
Chad A. Hewitt, CPA
Wendy C. Gilwee, CPA
VT Lic. #92-000180

Independent Auditor's Report

School Board
Milton Town School District
42 Herrick Avenue
Milton, Vermont 05468

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Milton Town School District as of and for the year ended June 30, 2012, which collectively comprise the Milton Town School District's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the Milton Town School District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in "Government Auditing Standards", issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of the Milton Town School District as of June 30, 2012 and the respective changes in financial position and cash flows, where applicable, thereof for the year ended in conformity with accounting principles generally accepted in the United States of America.

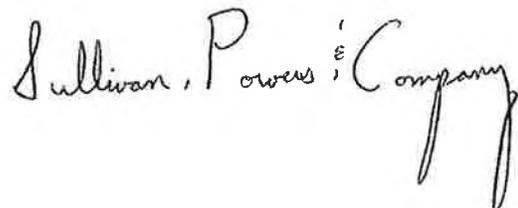
Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3 through 11 and the budgetary comparison information included in Schedule 1 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming an opinion on the financial statements of the Milton Town School District taken as a whole. The accompanying financial information included in Schedules 2 and 3 is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Milton Town School District. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments and Nonprofit Organizations" and is not a required part of the financial statements. The Schedule of Expenditures of Federal Awards is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects in relation to the financial statements as a whole.

In accordance with "Government Auditing Standards", we have also issued our report dated January 31, 2013 on our consideration of the Milton Town School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with "Government Auditing Standards" and should be considered in assessing the results of our audit.

January 31, 2013
Montpelier, Vermont
VT Lic. #92-000180



MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2012

The discussion and analysis of Milton Town School District's (herein the "School District") financial performance provides an overall narrative review of the School District's financial activities for the year ended June 30, 2012. The intent of this discussion and analysis is to look at the School District's financial performance as a whole. Information contained in this section is qualified by the more detailed information contained elsewhere in the School District's financial statements, related notes to financial statements, and any accompanying materials. To the extent this discussion contains any forward-looking statements of the School District's plans, objectives, expectations and prospects, the actual results could differ materially from those discussed herein.

FINANCIAL HIGHLIGHTS

- The School District must reimburse \$435,456 of General Fund deficit spending primarily resulting from our continued dedication to addressing long existing life and safety concerns that require specialized repairs and maintenance at each school location.
- Total net assets increased \$15,523 which represents .12% increase from FY 2011.
- The School District spent \$26,026,381 (including general fund, grants, and enterprise funds) compared to overall revenue of \$26,041,904.
- Expenditures exceeded revenue (inclusive of deferred) in the General Fund by \$1,696,715 or about 7.23%.
- When comparing the budgeted revenue of \$22,634,149 and budgeted expenditures of \$22,634,149 approved by the voters on March 1, 2011, the School District received \$22,677,934 and spent \$24,601,506. Expenses exceeded revenues by \$1,923,572 but are offset by the voter approved designation of prior year fund balance specific to renovating the Milton High School (MHS) science labs and continuance of MHS bathroom renovations.
- Capital assets, net of accumulated depreciation, increased by \$1,214,535 during the period July 1, 2011 through June 30, 2012.
- Through "normal" debt retirement, the School District reduced its outstanding long-term debt by \$650,282. There are five (5) obligations owed by the School District:
 - Municipal Bond Bank for expansion of Milton Elementary School, incurred in 1997
 - Annual payment of \$280,000 plus interest until December 2013 then payments decrease to annual payments of \$275,000 plus interest starting December 2014 through December 2017
 - Balance at the end of FY2012: \$1,655,000
 - Municipal Bond Bank for remediation of Milton Elementary School, incurred in 2007
 - Annual payment of \$210,000 plus interest until December 2014 then payments decrease to annual payments of \$205,000 plus interest starting December 2015 through December 2027
 - Balance at the end of FY 2012: \$3,290,000

- Municipal Bond Bank for repairs to Milton High School, incurred in 2009
 - Annual payment of \$65,000 plus interest until November 2039
 - Balance at the end of FY 2012: \$1,170,000
- Sun Trust Bank for Honeywell Performance Contract incurred in 2007 in the amount of \$409,694
 - Annual payments of principal and interest of \$52,210
 - Balance at the end of FY 2012: \$234,964
- Municipal Leasing for a plow truck incurred in 2010 in the amount of \$35,353
 - Annual payments of principal and interest of \$12,805
 - Balance at the end of FY 2012: \$12,222

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the School District's basic financial statements. The School District's basic financial statements are comprised of three components:

- 1) Government-wide financial statements,
- 2) Fund financial statements, and
- 3) Notes to the financial statements.

This report also contains other supplementary information in addition to the basic financial statements themselves.

1) Government-wide financial statements: The government-wide financial statements are designed to provide readers with a broad overview of the School District's finances in a manner similar to a private-sector business. These statements are prepared using the accrual basis of accounting and include all assets and liabilities.

The statement of net assets presents information on the School District's assets and liabilities in entirety, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.

The statement of activities presents information showing how the School District's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal years.

The government-wide financial statements are designed to include not only the School District itself (known as the primary government), but also any legally separate entities for which the School District is financially accountable (known as component units). The School District has no component units.

The government-wide financial statements can be found in Exhibits A and B of this report.

2) Fund financial statements: A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the School District can be divided into three categories: governmental, proprietary and fiduciary funds.

a) Governmental funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the School District's current financing requirements. Governmental Funds are reported using modified accrual accounting. This method of accounting measures cash and other assets that can be easily converted to cash. The Governmental Funds statements provide a detailed short-term view of the School District's operations.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the School District's current financing decisions.

Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. These reconciliations are found in Exhibits C and E.

The basic governmental fund financial statements can be found in Exhibits C through E of this report.

b) Proprietary funds: Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The School District uses an enterprise fund to account for its Food Service activity. This fund is the same as those functions shown in the business-type activities in the Statement of Net Assets and the Statement of Activities. The basic proprietary fund financial statements can be found in Exhibits F through H of the financial statements.

c) Fiduciary funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the School District. Fiduciary funds are not reflected in the government-wide financial statements because resources of these funds are not available to support the School District's own programs. The accrual basis of accounting is used for fiduciary funds. The School District is responsible for ensuring that the assets reported in these funds are used for their intended purpose. The School District's fiduciary activities are presented in separate Statements of Fiduciary Net Assets depicted in Exhibits I and J and Schedules 2 and 3 of the financial statements.

- 3) **Notes to the financial statements:** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the basic financial statements in this report.

Other information: In addition to the basic financial statements and accompanying notes, this report also presents certain other supplementary information.

The School District adopts an annual operating budget for the General Fund. A budgetary comparison statement has been provided for the General Fund. This information can be found in Schedule 1 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net assets: Net assets may serve over time as a useful indicator of the government's financial position. In the case of the School District, assets exceeded liabilities by \$12,875,890 as of June 30, 2012. By far the largest portion of the School District's net assets (108.36%) reflects its investment in capital assets (e.g., land, buildings, building improvements, improvements other than buildings, furniture and equipment, less any related debt used to acquire those assets that is still outstanding). The School District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending.

The School District's financial position is a product of several financial transactions including the net result of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets and the depreciation of capital assets.

Due to a number of restatements to June 30, 2011, management has chosen not to present comparative data as it would not be relevant. Comparative data will be provided in the future.

Summarized Statement of Net Assets

	Governmental Activities	Business-Type Activities	Total
	2012	2012	2012
Current and Other Assets	\$ 2,759,129	\$ (147,566)	\$ 2,611,563
Capital Assets	20,244,628	69,576	20,314,204
Total Assets	23,003,757	(77,990)	22,925,767
Current Liabilities	3,052,685	12,360	3,065,045
Noncurrent Liabilities	6,867,493	117,339	6,984,832
Total Liabilities	9,920,178	129,699	10,049,877
Net Assets			
Invested in Capital Assets			
Net of Related Debt	13,882,442	69,576	13,952,018
Restricted	163,843	0	163,843
Unrestricted	(962,706)	(277,265)	(1,239,971)
Total Net Assets	\$ 13,083,579	\$ (207,689)	\$ 12,875,890

Changes in net assets: The School District's total revenues for the fiscal year ended June 30, 2012 were \$26,041,904. The total expenses were \$26,026,381. The following table presents a summary of the changes in net assets for the fiscal year ended June 30, 2012.

Summarized Statement of Activities

	Governmental Activities	Business-Type Activities	Total
	2012	2012	2012
Revenues			
Program Revenues			
Charges for service	\$ 70,560	\$ 656,343	\$ 726,903
Operating Grants and Contributions	24,844,276	0	24,844,276
Capital Grants and Contributions	452,476	0	452,476
Investment Earnings	18,204	45	18,249
Total Revenues	25,385,516	656,388	26,041,904
Expenses			
Education	25,151,016	0	25,151,016
Food Service	0	875,365	875,365
Total Expenses	25,151,016	875,365	26,026,381
Change in Net Assets	234,500	(218,977)	15,523
Net Assets - Beginning of Year	12,849,079	11,288	12,860,367
Net Assets - End of Year	\$ 13,083,579	\$ (207,689)	\$ 12,875,890

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As noted earlier, the School District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds: The focus of the School District's governmental funds is to provide information on current inflows, outflows and balances of spendable resources. Such information is useful in assessing the School District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the School District's net resources available for spending at the end of the fiscal year.

The financial performance of the School District as a whole is reflected in its governmental funds. As the School District completed the year, its governmental funds reported a combined fund deficit of (\$2,388,688), a decrease of \$1,486,606.

The General Fund is the principal operating fund of the School District.

CAPITAL ASSETS

Capital Assets: As of June 30, 2012, the School District's total capital assets were \$20,314,204 including land, school buildings, furniture and equipment. This amount represents an increase of \$1,214,535 from the previous year. Total accumulated depreciation as of June 30, 2012 was \$9,529,181 and total depreciation expense for the year ending June 30, 2012 was \$1,254,415 resulting in total net capital assets of \$20,314,204 as of June 30, 2012.

Additional information of the School District's capital assets can be found in Note IV (C) of this report.

DEBT ADMINISTRATION

The following table details the debt service applied during FY 2012.

	Principal Balance <u>June 30, 2011</u>	Principal <u>Additions</u>	Principal <u>Payment</u>	Principal Balance <u>June 30, 2012</u>
Municipal Bond Bank	\$ 6,670,000	\$ 0	\$555,000	\$ 6,115,000
Sun Trust Bank	275,858	0	40,894	234,964
Northway Savings Bank	42,722	0	42,722	0
Municipal Leasing	23,888	0	11,666	12,222

Additional information of the School District's long-term debt can be found in Note IV (F) of this report.

GENERAL FUND BUDGETARY HIGHLIGHTS

When comparing the budgeted revenue of \$22,634,149 and budgeted expenditures of \$22,634,149 approved by the voters on March 1, 2011, the School District received \$22,677,934 and spent \$24,601,506. Expenses exceeded revenues by \$1,967,357 but are offset by the voter approved designation of prior year fund balance specific to renovating the Milton High School (MHS) science labs and continuance of MHS bathroom renovations.

Revenue exceeded the budget for the year \$43,785. The following items were the driving factors.

- Tuition revenue received was above budgeted by \$11,560 due primarily to the district receiving additional tuitioned students above anticipated.
- Vocational Transportation Reimbursement revenue received was above budgeted by \$39,321 due primarily to increased student participation.
- Regular Instructional State and Local revenues received were above budgeted by \$62,848. Certain State and Local revenues are difficult to budget as they are determined by the current year's activities.
- State Special Education revenue received was below budgeted by (\$13,735).

- Interest and Investment revenue received was below budgeted by (\$56,209) due primarily to the reduction in value of our MetLife stock portfolio during FY2012.

The District finished the year spending 108.69% of its planned expenditures. Spending exceeded budget for the year by \$1,967,357. The following items are worth noting.

- District-wide transportation expenditures exceeded budget by \$89,416 due primarily to escalated fuel prices. As fuel prices climb the District pays for the variance above \$2.50 per gallon (our contract was built with a factor of \$2.50 per gallon base).
- Technology Support was overspent by \$60,365 due primarily to staffing of unbudgeted contracts inclusive of temporary support staff.
- Principal's Office accounts were overspent by \$113,219 due primarily to unbudgeted homeless and Section 504 expenditures. The district was required by law to provide these accommodations but these costs were unanticipated as the need had not surfaced when the FY2012 budget was finalized.
- Facility Maintenance was overspent by \$785,531 (\$1,998,304 - \$1,212,773 fund balance designated for capital projects) due primarily to our dedication of aggressively attacking decades of deferred maintenance in addition to addressing significant life and safety issues where spending was non-discretionary.
- Special Education was overspent in whole by \$100,025 driven primarily by student IEP requirements and unbudgeted staffing changes.
- Essential Early Education expenditures were \$52,343 below budget due primarily to unexpended budgeted funding for professional services such as Occupational Therapy, Speech & Audiology and Psychological Services.
- Vocational Education expenditures exceeded budget by \$129,463 due to an unrecognized increase in participation when the budget was constructed (finalized during January of the prior fiscal year).
- Debt Service expenditures were \$61,602 below budget due almost in entirety to less Tax Anticipation Borrowing than anticipated.

MAINTENANCE OF THE FACILITIES

It is important to highlight specific areas of professional services, repairs and maintenance where funding was expended during FY2012 to support and provide a healthy and safe environment for our students, our staff and our community. The gains our community recognizes from these expenditures are 100% tangible, meaning every improvement made stays within our district and is physical. Every dollar spent has benefited the community as a whole as our facilities are not just for education of our students but also provide a heavily utilized community resource for Milton Recreation Department programs, Milton Family Center, Milton Community Youth Coalition, various community organizations and after school daycare plus summer daycare operations.

In terms of the district's past and current budgeting practice we are significantly underfunded to perform basic routine preventative maintenance, let alone address significant issues resulting from decades of deferred maintenance due to lack of funding and qualified oversight of our facilities. Our FY2012 professional services budget lines district-wide for maintenance total \$28,500. During FY2012 we expended \$394,746 in professional services. Our FY2012 repair and maintenance budget lines district-wide total \$371,172.

During FY2012 we expended \$585,385 in repairs and maintenance. Refusing to turn our backs on significant facility deficiencies resulted in overspending. This practice has ceased in FY2013 as we cannot continue to deficit spend and as a result our district is now deferring maintenance. Specific areas where FY2012 funding was expended include but are not limited to:

- \$233,464 was expended for electrician services and components to address significant code deficiencies and most importantly life safety deficiencies.
- \$122,730 was expended for architect, civil engineering and mechanical engineering services.
- \$98,697 was expended on basic general maintenance parts and supplies.
- \$69,641 was expended to paint interior facility space.
- \$62,498 was expended replacing flooring.
- \$61,966 was expended for grant writing services. While these services benefited the entire district in terms of working with all faculty and staff interested in pursuing funding opportunities, the cost of our grant writer was processed through our facilities department as it was our facility director that brought the grant writer into our district.
- \$43,353 was expended on multiple building improvement projects ranging from exterior door frame replacements to drop ceiling replacements in order to meet code standards.
- \$36,741 was expended for DDC upgrades to pneumatic unit ventilators.
- \$31,162 was expended for concrete improvements such as sidewalks, curbing and foundation work.
- \$30,783 was expended for HVAC system maintenance.
- \$22,153 was expended for gymnasium flooring maintenance.
- \$18,703 was expended for kitchen requirements.
- \$14,124 was expended solely to address fire panel trouble shooting, fire extinguishers and sprinklered fire suppression system maintenance.
- \$11,725 was expended for roofing maintenance.
- \$9,957 was expended for maintenance on dated pneumatic heating system controls.
- \$9,885 was expended for asbestos abatement oversight and compliance services.
- \$9,647 was expended for metal work.
- \$9,542 was expended for fencing – building perimeter and athletics.
- \$7,237 was expended for playground maintenance.
- \$6,725 was expended for security equipment service.
- \$6,462 was expended for maintaining our aging P.A. systems.
- \$6,401 was expended for bleacher repair and maintenance.
- \$5,275 was expended for auditorium seating repairs.

FACTORS TO CONSIDER THAT COULD AFFECT THE FINANCIAL CONDITION OF THE SCHOOL DISTRICT AND FUTURE BUDGETS

- **Economy:** The economy is slowly recovering in many areas but there is still cause for concern that could stretch for the next few years. Unemployment is still high and payroll gains are relatively stagnant. General Fund revenue is not currently sufficient to properly support education or to provide any property tax relief. These factors will put a continued strain on school budgets and funding.

- **Budget Increases:** The School District's budgets have increased an average of 2.64% over the last 5 years. When the budget for FY2013 is included the average percent increase over the FY2013 and prior 4 years average increase drops to 1.72%. This is viewed by many in the community as unsustainable due to the lack of support from the general fund and the heavy reliance on property taxes. The Governor continues to recommend that local school boards control and, if possible, keep spending in line with inflation.
- **Student Enrollment:** The School District's student population continues to decline, although the decline has slowed. This decline has a direct, inverse relation to the tax rate. Since the population decline is across all the grades (K-12) and not concentrated on one grade and staff members are assigned by grade level, cutting staff is not always a viable solution. When the state calculates the local tax rate, the most critical element is the cost per equalized pupil. Therefore, for the same level of spending, a lower number of students equates to a higher tax rate.
- **State/Federal Requirements:**
 - **No Child Left Behind ("NCLB"):** This federal education reform law creates goals and benchmarks for each school district in the country. Meeting these goals is expensive. This will continue to put a strain on education spending.
 - **Title I:** This federal requirement is tied closely with NCLB. Failure to meet the NCLB goals restricts the flexibility of Title I resources. This will result in either a reduction in some services or an increase in local tax rate. Title I funds continue to decline year to year.
 - **Special Education:** Mandates continue to increase and spending in this area exceeds the cost of regular education thus further driving up overall budget increases regardless of the revenue side of the budget.
- **Contracts:** Compensation increase for support staff will be 3.5% for each of the next two years. The faculty (teacher) and administrator master agreements are in the final year in FY2013 and new contracts will need to be negotiated.
- **Healthcare:** Large scale changes on the health care front will cause much larger increases to the district in the next few years. The district has felt some shelter from working with Vermont School Board Insurance Trust in prior years.

CURRENT STATUS

- ✚ The rising cost of education and the state funding formula will continue to challenge tax payers.
- ✚ The slowly recovering economy will continue to have an effect on the District.
- ✚ The current shortfall in the general and educational fund will continue to pressure the District's budget and the quality of education.

CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT

If you have questions about this report, contact the Business Manager of the School District, 42 Herrick Avenue, Milton VT 05468, telephone (802) 893-3210.

MILTON TOWN SCHOOL DISTRICT
STATEMENT OF NET ASSETS
JUNE 30, 2012

	Governmental Activities	Business-type Activities	Total
<u>ASSETS</u>			
Cash	\$ 121,590	\$ 5,221	\$ 126,811
Investments	72,844	0	72,844
Receivables (Net of Allowance for Uncollectibles)	2,333,194	32,671	2,365,865
Due from Town	36,313	0	36,313
Inventories	0	8,530	8,530
Prepaid Expenses	1,200	0	1,200
Internal Balances	193,988	(193,988)	0
Capital Assets:			
Land	123,000	0	123,000
Other Capital Assets (Net of Accumulated Depreciation)	20,121,628	69,576	20,191,204
Total Assets	23,003,757	(77,990)	22,925,767
<u>LIABILITIES</u>			
Accounts Payable	434,451	0	434,451
Accrued Payroll and Benefits Payable	896,975	0	896,975
Deferred Revenue	110,064	12,360	122,424
Due to Private Purpose Trust Funds	26	0	26
Due to Agency Fund	2,441	0	2,441
Accrued Interest Payable	31,264	0	31,264
Short-Term Debt	1,577,464	0	1,577,464
Noncurrent Liabilities:			
Due within One Year	817,903	39,112	857,015
Due in More than One Year	6,049,590	78,227	6,127,817
Total Liabilities	9,920,178	129,699	10,049,877
<u>NET ASSETS</u>			
Invested in Capital Assets, Net of Related Debt	13,882,442	69,576	13,952,018
Restricted	163,843	0	163,843
Unrestricted/(Deficit)	(962,706)	(277,265)	(1,239,971)
Total Net Assets	\$ 13,083,579	\$ (207,689)	\$ 12,875,890

The accompanying notes are an integral part of this financial statement.

MILTON TOWN SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012

	Program Revenues			Net (Expenses) Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Functions/Programs:							
Primary Government:							
Governmental Activities:							
Education	\$ 25,151,016	\$ 70,560	\$ 24,844,276	\$ 452,476	\$ 216,296	\$ 0	\$ 216,296
Total Governmental Activities	25,151,016	70,560	24,844,276	452,476	216,296	0	216,296
Business-Type Activities:							
Food Service	875,365	656,343	0	0	0	(219,022)	(219,022)
Total Business-Type Activities	875,365	656,343	0	0	0	(219,022)	(219,022)
Total Primary Government	\$ 26,026,381	\$ 726,903	\$ 24,844,276	\$ 452,476	\$ 216,296	\$ (219,022)	\$ (2,726)
General Revenues:							
Unrestricted Interest Income					18,204	45	18,249
Total General Revenues					18,204	45	18,249
Change in Net Assets					234,500	(218,977)	15,523
Net Assets - As Restated - July 1, 2011					12,849,079	11,288	12,860,367
Net Assets/(Deficit) - June 30, 2012					\$ 13,083,579	\$ (207,689)	\$ 12,875,890

MILTON TOWN SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2012

	General Fund	State & Federal Program Fund	Building Fund	Total
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 121,590	\$ 0	\$ 0	\$ 121,590
Investments	72,844	0	0	72,844
Miscellaneous Receivables	18,678	0	0	18,678
Due from Other Funds	418,488	0	0	418,488
Due from State of Vermont	226,857	371,486	1,716,173	2,314,516
Due from Town	36,313	0	0	36,313
Prepaid Expenses	1,200	0	0	1,200
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	\$ 895,970	\$ 371,486	\$ 1,716,173	\$ 2,983,629
<u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Accounts Payable	\$ 434,451	\$ 0	\$ 0	\$ 434,451
Accrued Payroll Liabilities	896,975	0	0	896,975
Due to Other Funds	0	98,198	128,769	226,967
Short Term Debt	0	0	1,577,464	1,577,464
Deferred Revenue	226,857	293,430	1,716,173	2,236,460
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	1,558,283	391,628	3,422,406	5,372,317
Fund Balance/(Deficit):				
Nonspendable	195,188	0	0	195,188
Restricted	0	153,903	9,940	163,843
Unassigned	(857,501)	(174,045)	(1,716,173)	(2,747,719)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Fund Balance/(Deficit)	(662,313)	(20,142)	(1,706,233)	(2,388,688)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities and Fund Balance	\$ 895,970	\$ 371,486	\$ 1,716,173	

Amounts Reported for Governmental Activities in the Statement of Net Assets are Different Because:

Capital Assets Used in Governmental Activities are not Financial Resources and, therefore, are not Reported in the Funds.	20,244,628
Other Assets are not Available to Pay for Current-Period Expenditures, and, Therefore, are Deferred in the Funds	2,126,396
Long Term and Accrued Liabilities, Including Bonds Payable, are not Due or Payable in the Current Period and, therefore, are Not Reported in the Funds.	<u>(6,898,757)</u>
Net Assets of Governmental Activities	<u>\$ 13,083,579</u>

The accompanying notes are an integral part of this financial statement.

MILTON TOWN SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2012

	General Fund	State & Federal Program Fund	Building Fund	Total
Revenues:				
General State Support Grants	\$ 19,400,864	\$ 0	\$ 0	\$ 19,400,864
Federal and State Grants	2,864,159	2,213,010	442,536	5,519,705
Tuition	70,560	0	0	70,560
Other Local Revenue	249,444	122,180	9,940	381,564
Vocational Transportation Reimbursement	74,703	0	0	74,703
Interest	18,204	0	0	18,204
Intergovernmental Pension Contribution	780,301	77,173	0	857,474
Total Revenues	23,458,235	2,412,363	452,476	26,323,074
Expenditures:				
Regular Instructional:				
Direct Instructional	13,598,635	2,114,507	0	15,713,142
Vocational Tuition	936,327	0	0	936,327
Student Support Services	2,604,466	0	0	2,604,466
General Administration	55,500	0	0	55,500
School Administration	1,821,463	0	0	1,821,463
Fiscal Services	413,484	0	0	413,484
Operation and Maintenance of Plant	1,801,630	0	0	1,801,630
Tuition and Reimbursement	178,254	0	0	178,254
Transportation Services	807,744	0	0	807,744
Capital Outlay	2,155,584	313,366	0	2,468,950
Debt Service:				
Principal	650,282	0	0	650,282
Interest	358,438	0	0	358,438
Total Expenditures	25,381,807	2,427,873	0	27,809,680
Excess/(Deficiency) of Revenues Over Expenditures	(1,923,572)	(15,510)	452,476	(1,486,606)
Fund Balance/(Deficit) - As Restated - July 1, 2011	1,261,259	(4,632)	(2,158,709)	(902,082)
Fund Balance/(Deficit) - June 30, 2012	\$ (662,313)	\$ (20,142)	\$ (1,706,233)	\$ (2,388,688)

The accompanying notes are an integral part of this financial statement.

MILTON TOWN SCHOOL DISTRICT
 RECONCILIATION OF THE STATEMENT OF REVENUES,
 EXPENDITURES AND CHANGES IN FUND BALANCES OF
 GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2012

Amounts reported for governmental activities in the statement of activities (Exhibit B) are different because:

Net change in fund balances - total government funds (Exhibit D)	\$	(1,486,606)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay (\$2,468,950) exceeded depreciation (\$1,246,797) in the current period.		1,222,153
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(80,084)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. This amount is the net amount by which repayments in the current period (\$650,282) exceeded proceeds (\$0).		650,282
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		<u>(71,245)</u>
Change in net assets of governmental activities (Exhibit B)	\$	<u><u>234,500</u></u>

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The accompanying notes are an integral part of this financial statement.

MILTON TOWN SCHOOL DISTRICT
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2012

	<u>Food Service Fund</u>
<u>ASSETS</u>	
Current Assets:	
Cash	\$ 5,221
Receivables	24,048
Due from Students	8,623
Inventory	8,530
Total Current Assets	<u>46,422</u>
Noncurrent Assets:	
Capital Assets:	
Building Improvements	31,808
Equipment	79,955
Accumulated Depreciation	<u>(42,187)</u>
Total Noncurrent Assets	<u>69,576</u>
Total Assets	<u>\$ 115,998</u>
<u>LIABILITIES</u>	
Current Liabilities:	
Accrued Career Change Incentive	\$ 117,339
Due to Other Funds	193,988
Deferred Revenue	12,360
Total Current Liabilities	<u>323,687</u>
<u>NET ASSETS</u>	
Investment in Capital Assets, Net of Related Debt	69,576
Nonspendable	8,623
Unrestricted/(Deficit)	<u>(285,888)</u>
Total Net Assets/(Deficit)	<u>(207,689)</u>
Total Liabilities and Net Assets	<u>\$ 115,998</u>

The accompanying notes are an integral part of this financial statement.

MILTON TOWN SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2012

	<u>Food Service Fund</u>
OPERATING REVENUES:	
State and Federal Grants	\$ 246,034
Food Service Sales	368,186
Commodities	24,644
Miscellaneous Income	<u>17,479</u>
Total Operating Revenues	<u>656,343</u>
OPERATING EXPENSES:	
Wages and Benefits	536,786
Food	282,995
Supplies	20,610
Commodities	24,644
Miscellaneous	2,712
Depreciation	<u>7,618</u>
Total Operating Expenses	<u>875,365</u>
Operating Income/(Loss)	<u>(219,022)</u>
NONOPERATING REVENUES/(EXPENSES):	
Interest Income	<u>45</u>
Total Nonoperating Revenues/(Expenses)	<u>45</u>
Change in Net Assets	(218,977)
Net Assets - As Restated - July 1, 2011	<u>11,288</u>
Net Assets/(Deficit) - June 30, 2012	<u>\$ (207,689)</u>

The accompanying notes are an integral part of this financial statement.

MILTON TOWN SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2012

	Food Service Fund
Cash Flows From Operating Activities:	
Receipts from Food Sales	\$ 370,776
Receipts from State and Federal Grants	233,037
Receipts from Miscellaneous Income	17,479
Payments to Suppliers	(311,573)
Payments for Wages and Benefits	<u>(419,447)</u>
Net Cash Provided/(Used) by Operating Activities	<u>(109,728)</u>
Cash Flows From Noncapital Financing Activities:	
Change in Due to Other Funds	<u>110,523</u>
Net Cash Provided by Noncapital Financing Activities	<u>110,523</u>
Cash Flows From Capital and Related Financing Activities:	<u>0</u>
Cash Flows From Investing Activities:	
Receipt of Interest	<u>45</u>
Net Cash Provided by Investing Activities	<u>45</u>
Net Increase in Cash	840
Cash - July 1, 2011	<u>4,381</u>
Cash - June 30, 2012	<u>\$ 5,221</u>
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:	
Operating Income/(Loss)	\$ (219,022)
Depreciation	7,618
Increase in Receivables	(15,386)
Increase in Inventory	(5,256)
Increase in Accrued Career Change Incentive	117,339
Increase in Deferred Revenue	<u>4,979</u>
Net Cash Provided/(Used) by Operating Activities	<u>\$ (109,728)</u>

The School District Received and Consumed \$24,644 of Federal Commodities During the Year.

The accompanying notes are an integral part of this financial statement.

MILTON TOWN SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2012

	<u>Private Purpose Trust Funds</u>	<u>Agency Fund - Student Activities Fund</u>
<u>ASSETS</u>		
Cash	\$ 15,607	\$ 69,895
Investments	291,600	0
Due from Other Funds	<u>26</u>	<u>2,441</u>
Total Assets	<u>307,233</u>	<u>72,336</u>
<u>LIABILITIES</u>		
Due to Students for Scholarships	22,093	0
Due to Student Organizations	<u>0</u>	<u>72,336</u>
Total Liabilities	<u>22,093</u>	<u>72,336</u>
<u>NET ASSETS</u>		
Held in Trust for Various Purposes	<u>285,140</u>	<u>0</u>
Total Net Assets	<u>\$ 285,140</u>	<u>\$ 0</u>

The accompanying notes are an integral part of this financial statement.

MILTON TOWN SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2012

	Private Purpose Trust Funds
<u>ADDITIONS:</u>	
Net Investment Income	\$ <u>9,616</u>
Total Additions	<u>9,616</u>
<u>DEDUCTIONS:</u>	
Administrative Expenses	954
Scholarships and Awards	<u>8,800</u>
Total Deductions	<u>9,754</u>
Change In Net Assets	(138)
Net Assets - July 1, 2011	<u>285,278</u>
Net Assets - June 30, 2012	<u>\$ <u>285,140</u></u>

The accompanying notes are an integral part of this financial statement.

MILTON TOWN SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2012

The Milton Town School District (herein the "School District") consists of Milton High School, Milton Middle School and Milton Elementary School in addition to several special and vocational educational programs.

The School District, for financial reporting purposes, includes all of the funds and account groups relevant to the operations of the Milton Town School District. The financial statements presented herein do not include agencies which have been formed under applicable state laws or separate and distinct units of government apart from the Milton Town School District.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted by the School District conform to generally accepted accounting principles (GAAP) as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing accounting and financial reporting principles. The following is a summary of the more significant accounting policies employed in the preparation of these financial statements.

A. The Financial Reporting Entity

This report includes all of the funds of the School District. The reporting entity consists of the primary government; organizations for which the primary government is financially accountable; and other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government. Based on these criteria, there are no other entities that should be combined with the financial statements of the School District.

B. Basis of Presentation

The accounts of the School District are organized and operated on the basis of fund accounting. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts which comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are spent and the means by which spending activities are controlled.

The basic financial statements of the School District include both government-wide statements and fund financial statements. The focus of the government-wide statements is on reporting the operating results and financial position of the School District as a whole and present a longer-term view of the School District's finances. The focus of the fund financial statements is on reporting on the operating results and financial position of the most significant funds of the School District and present a shorter-term view of how operations were financed and what remains available for future spending.

MILTON TOWN SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2012

Government-wide Statements: The statement of net assets and the statement of activities display information about the primary government, the School District. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of activities between funds. These statements distinguish between the governmental and business-type activities of the School District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-Type activities are financed in whole or in part by fees charged to external parties. The only business-type activity of the School District is the Food Service Fund.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the School District's governmental activities and each segment of the School District's business-type activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function or program. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the School District's funds, including fiduciary funds. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major funds, each displayed in a separate column.

The School District reports on the following major governmental funds:

General Fund – This is the School District's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

State Federal Program Fund – This fund accounts for the Federal and State grant programs of the School District.

Building Fund – This Fund accounts for the School District's construction projects.

The School District reports on the following major enterprise fund:

Food Service Fund – This fund accounts for the food service activities of the School District.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as investment earnings, result from nonexchange transactions.

MILTON TOWN SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2012

Additionally, the School District reports the following fund types:

Private Purpose Trust Funds – These funds are used to report trust arrangements under which resources are to be used for the benefit of students enrolling in higher education. All investment earnings and in some cases, the principal of these funds, may be used to support these activities.

Agency Funds – These funds account for monies maintained for various student groups at the School District.

C. Measurement Focus

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Government-wide and proprietary fund financial statements are reported using the economic resources measurement focus. This means that all assets and liabilities associated with the operation of these funds (whether current or noncurrent) are included on the balance sheet (or statement of net assets). Fund equity (i.e., net total assets) is segregated into investment in capital assets, net of related debt, restricted net assets, and unrestricted net assets. Operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

Governmental fund financial statements are reported using the current financial resources measurement focus. This means that only current assets and current liabilities are generally reported on their balance sheets. Their reported fund balances (net current assets) are considered a measure of available spendable resources, and are segregated into nonspendable; restricted; committed; assigned and unassigned amounts. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of available spendable resources during a period.

D. Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred, regardless of when the related cash flow takes place. Nonexchange transactions, in which the School District gives (or receives) value without directly receiving (or giving) equal value in exchange, include assessments, grants and donations. On the accrual basis, revenue from assessments is recognized in the fiscal year for which the assessments are levied. Revenue from grants and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

MILTON TOWN SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2012

Governmental funds are reported using the modified accrual basis of accounting. Revenues are recognized when measurable and available. "Measurable" means the amount of the transaction can be determined, and "available" means the amount is collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The School District considers all revenues reported in governmental funds to be available if the revenues are collected within sixty days after year end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, certain compensated absences and other long-term liabilities which are recognized when the obligations are expected to be liquidated or are funded with expendable available financial resources.

General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the School District funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the School District's policy to first apply cost-reimbursement grant resources to such programs, followed by general revenues. Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and other grant requirements have been met.

The government-wide and proprietary fund financial statements follow Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989 Accounting Principles Board (APB) Opinions and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements. As permitted under Statement of Governmental Accounting Standards No. 20, the School District has elected not to apply FASB Standards issued after November 30, 1989.

E. Use of Estimates

The presentation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

MILTON TOWN SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2012

F. Assets, Liabilities and Equity

1. Cash

The School District considers all short-term investments of ninety (90) days or less to be cash equivalents.

2. Investments

The School District invests as allowed by State Statute. Investments with readily determinable fair values are reported at their fair values on the balance sheet. Unrealized gains and losses are included in revenue.

3. Receivables

Receivables are shown net of an allowance for uncollectible accounts for the estimated losses that will be incurred in the collection of the receivables. The estimated losses are based on the judgment of management and a review of the current status of existing receivables. At June 30, 2012, the allowance is \$-0-.

4. Internal Balances

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

5. Inventories and Prepaid Expenses

Inventory quantities are determined by physical count and are valued at cost. Inventories in the business-type activities fund consist of food and supplies.

Certain payments to vendors reflect costs that are applicable to future accounting periods and are recorded as prepaid expenses.

Reported inventories and prepaid expenses of governmental funds in the fund financial statements are offset by a nonspendable fund balance as these are not in spendable form.

MILTON TOWN SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2012

6. Capital Assets

Capital assets are reported at actual cost or estimated historical cost based on appraisals or deflated current replacement cost if purchased or constructed. Contributed assets are recorded at their estimated fair value at the time received. Major outlays for capital assets and improvements are capitalized as constructed. Interest is not capitalized during the construction phase of capital assets used in governmental activities. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' lives are not capitalized. Infrastructure assets are reported starting with fiscal year ending June 30, 2004. The School District has elected to not report major general infrastructure assets retroactively.

Capital assets reported in the government-wide financial statements are depreciated in order that the cost of these assets will be charged to expenses over their estimated service lives, generally using the straight-line method of calculating depreciation.

The School Districts capitalization policy is as follows:

- 1) The asset is tangible and complete.
- 2) The asset is used in the operation of the School District's activities.
- 3) The asset has value and useful life at the date of acquisition that meets or exceeds the following:
 - a. \$5,000 value and two years of life for software, office equipment, maintenance equipment and other equipment.
 - b. \$5,000 value and two years life for all capital improvements.
 - c. All building and land as well as computer equipment must be reported regardless of value and useful life at date of acquisition.
 - d. \$50,000 and three years life for infrastructure and infrastructure improvements.
 - e. The estimated useful lives of capital assets are as follows:

	Estimated Service Life
Land	N/A
Land Improvements	20 Years
Buildings and Building Improvements	15-50 Years
Equipment and Furniture	3-15 Years
Vehicles	5 Years
Food Service Equipment	10-15 Years

Capital assets are not reported in the governmental fund type financial statements. Capital outlays in these funds are recorded as expenditures in the year they are incurred.

7. Long-term Liabilities

Long-term liabilities include bonds and notes payable and compensated absences. Long-term liabilities are reported in the government-wide and proprietary fund type financial statements. Governmental fund type financial statements do not include any long-term liabilities as those funds use the current financial resources measurement focus and only include current assets and liabilities on their balance sheets.

MILTON TOWN SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
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8. Fund Equity

Fund balances and retained earnings are classified based upon any restrictions that have been placed on those balances or any tentative plans management may have made for those balances. Net assets of governmental funds are classified as nonspendable (not in spendable form or legally required to remain intact); restricted (constraints on the use of resources are either externally imposed by creditors, grantors, or donors, or imposed by law through enabling legislation); committed (constraints on the use of resources are imposed by formal action of the voters); assigned (reflecting the School Board's intended use of the resources); and unassigned.

**II. EXPLANATION OF DIFFERENCES BETWEEN GOVERNMENTAL FUND
AND GOVERNMENT-WIDE STATEMENTS**

Governmental Fund financial statements are presented using the current financial resources measurement focus and the modified accrual basis of accounting, while government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. These differences in the measurement focus and basis of accounting lead to differences between the governmental fund financial statements and the government-wide financial statements as follows:

Long-term revenue differences arise because governmental funds report revenues only when they are considered "available", whereas government-wide statements report revenues when they are earned. Long-term expense differences arise because governmental funds report operating expenses (including interest) using the modified accrual basis of accounting, whereas government-wide statements report expenses using the accrual basis of accounting.

Capital related differences arise because governmental funds report capital outlays as current period expenditures, whereas government-wide statements report depreciation as an expense. Further, governmental funds report the proceeds from the sale of capital assets as revenue, whereas government-wide statements report the gain or loss from the sale of capital assets as revenue or expense.

Long-term debt transaction differences arise because governmental funds report bond proceeds as other financing sources and principal payments as expenditures, whereas government-wide statements report those transactions as increases and decreases in liabilities, respectively.

MILTON TOWN SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2012

III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

An annual budget is adopted for the General Fund.

The School District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The School Superintendent submits to the School Board a proposed operating budget for the fiscal year commencing the following July 1st. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments. Said hearings are held more than two days prior to the date of the annual School District meeting. The School Board then reviews the budget and adopts it with or without change. The proposed budget is distributed to the legal voters of the School District at least ten days before the public hearing.
3. The School Superintendent may at any time transfer an unencumbered balance or portion thereof between general classifications of expenditures within an office, department or agency under his/her jurisdiction. There were no budget amendments during the year.

B. Fund Deficits

The \$857,501 unrestricted deficit in the General Fund will be funded by additional debt. The \$174,045 unrestricted deficit in the State & Federal Program fund will be funded by the receipt of deferred grant revenue. The \$1,716,173 unrestricted deficit in the Building Fund will be funded by future construction state aid. The \$207,689 unrestricted deficit in the Food Service Fund will be funded with future food sales and a planned reduction in expenses.

C. Excess of Expenditures Over Appropriations

For the year ended June 30, 2012, expenditures exceeded appropriations in the General Fund by \$1,967,357. This was partially funded by available fund balance. Future tax revenues and additional debt will fund the remaining balance.

MILTON TOWN SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
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D. Restatement/Reclassification of Net Assets/Fund Balances

The net assets for the Governmental Activities/Business-Type Activities and Food Service Fund were restated/reclassified as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
		<u>Food Service Fund</u>
Net Assets – June 30, 2011, As Originally Reported	\$12,939,990	\$ 0
Correction of Errors:		
Understatement of Long-Term Debt	(75,277)	0
Understatement of Accrued Compensated Absences	(15,432)	0
Understatement of Accrued Interest Payable	(37,400)	0
Understatement of Due from Town – Impact Fees	48,486	0
Reclassification:		
Reclassification of the Food Service Special Revenue Fund to an Enterprise Fund	<u>(11,288)</u>	<u>11,288</u>
Net Assets – June 30, 2011, As Restated	<u>\$ 12,849,079</u>	<u>\$ 11,288</u>

The corrections for the Governmental Activities were the result of not recording capital leases, understating accrued compensated absences, not accruing interest payable and not recording impact fees due from the Town. The effect of these corrections on the Governmental Activities Statement of Net Assets is to increase assets by \$48,426 and increase liabilities by \$128,109 and decrease net assets by \$79,623. The effect on the 2011 Statement of Activities is not known.

MILTON TOWN SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
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The fund balances in the following funds were restated/reclassified as follows:

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
Fund Balance/(Deficit) – June 30, 2011, As Originally Reported	\$1,254,284	\$(64,281)	\$ 0	\$1,190,003
Correction of Errors:				
Understatement of Deferred Grant Revenue	(41,511)	(6,257)	(2,158,709)	(2,206,477)
Understatement of Due From Town – Impact Fees	48,486	0	0	48,486
Reclassifications:				
Reclassification of the Food Service Special Revenue Fund to an Enterprise Fund	<u>0</u>	<u>65,906</u>	<u>0</u>	<u>65,906</u>
Fund Balances/(Deficit) – June 30, 2011, As Restated/ Reclassified	<u>\$1,261,259</u>	<u>\$ (4,632)</u>	<u>\$(2,158,709)</u>	<u>\$ (902,082)</u>

The corrections were the result of the School District not recognizing the deferral of grant receivables not collected within sixty (60) days after year end and not recording impact fees due from the Town.

The effect of these corrections on the General Fund Balance Sheet was that assets were understated by \$48,486 and liabilities were understated by \$41,511 and fund balance was understated by \$6,975. The effect on the 2011 Statement of Revenue, Expenses and Changes in Fund Balances is not known.

The effect of the corrections on the Special Revenue Fund and the Capital Projects Funds Balance Sheets were that liabilities were understated and fund balances were overstated by \$6,257 and \$2,158,709, respectively. The effect on the 2011 Statement of Revenue, Expenses and Changes in Fund Balances is not known.

MILTON TOWN SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2012

IV. DETAILED NOTES ON ALL FUNDS

A. Cash and Investments

Cash and Investments at June 30, 2012 consisted of the following:

Cash:	
Demand Deposits with Financial Institutions	\$ 212,096
Cash on Hand	217
Total Cash	212,313
Investments:	
Certificates of Deposit	24,126
Mutual Funds	267,474
Stocks	72,844
Total Investments	364,444
Total Cash and Investments	\$ 576,757

There are five (5) certificates of deposit ranging from \$622 to \$12,191 with maturity dates all within the next year. The interest rates range from .20% to .35%.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of failure of the counter-party (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investments or collateral securities that are in possession of another party. The School District does not have any policy to limit the exposure to custodial credit risk. The mutual funds and stocks are not exposed to custodial credit risk because they are in the name of the School District. The School District's deposits are exposed to custodial credit risk as outlined in the following deposit analysis:

MILTON TOWN SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
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	<u>Book Balance</u>	<u>Bank Balance</u>
Insured - FDIC/SIPC	\$ 236,222	\$ 389,041
Uninsured, Collateralized by U.S. Government Securities, Federal Agency Issued Mortgage Backed Securities and/or General Obligation Vermont Municipal Notes and Bonds Held by the Bank's Trust Department with a Security Interest Granted to the School District	<u>0</u>	<u>902,382</u>
Total	<u>\$ 236,222</u>	<u>\$ 1,291,423</u>

The difference between the book balance and the bank balance is due to reconciling items such as deposits in transit and outstanding checks.

Deposits are comprised of the following:

Demand Deposits with Financial Institutions	\$212,096
Certificates of Deposit	<u>24,126</u>
	<u>\$236,222</u>

Concentration of Credit Risk

Concentration of credit risk is the risk that a large percentage of the District's investments are held within one security. The School District does not have any limitations on the amount that can be invested in any one issuer. All of the stock is invested in MetLife, Inc.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District does not have any policy to limit the exposure to interest rate risk. The certificates of deposit are not subject to the interest rate risk disclosure requirements.

Information about the sensitivity of the fair values of the School District's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the School District's investments by maturity. Mutual funds are shown at their weighted average maturity (if available).

MILTON TOWN SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
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Investment Type	<u>Remaining Maturity</u> Not Available	Total
Mutual Funds	\$ <u>267,474</u>	\$ <u>267,474</u>
Total	\$ <u><u>267,474</u></u>	\$ <u><u>267,474</u></u>

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District's certificates of deposit are exempt from the credit risk analysis. The mutual funds are open ended and are therefore excluded from the credit risk analysis. The District does not have any policy to limit the exposure to credit risk.

B. Receivables

Receivables at June 30, 2012, as reported in the statement of net assets, net of applicable allowances for uncollectible accounts, are as follows:

	Governmental Activities	Business-Type Activities	Total
Special Education - Expenditures Reimbursement	\$ 223,676	\$ 0	\$ 223,676
State Grants Receivable	335,040	17,343	352,383
State Construction Grant Aid Receivable	1,716,173	0	1,716,173
Medicaid Reimbursement	39,627	0	39,627
Other	<u>18,678</u>	<u>15,328</u>	<u>34,006</u>
Total	\$ <u><u>2,333,194</u></u>	\$ <u><u>32,671</u></u>	\$ <u><u>2,365,865</u></u>

MILTON TOWN SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2012

C. Capital Assets

Capital asset activity for the year ended June 30, 2012 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Governmental Activities				
Capital Assets, Not Being Depreciated:				
Land	\$ 123,000	\$ 0	\$ 0	\$ 123,000
Construction in Progress	515,801	0	515,801	0
Total Capital Assets, Not Being Depreciated	<u>638,801</u>	<u>0</u>	<u>515,801</u>	<u>123,000</u>
Capital Assets, Being Depreciated:				
Land Improvements	1,090,963	0	0	1,090,963
Buildings and Building Improvements	21,229,552	2,134,393	0	23,363,945
Equipment and Furniture	4,148,336	830,298	0	4,978,634
Vehicles	194,173	20,060	39,153	175,080
Totals	<u>26,663,024</u>	<u>2,984,751</u>	<u>39,153</u>	<u>29,608,622</u>
Less Accumulated Depreciation for:				
Land Improvements	350,317	50,176	0	400,493
Buildings and Building Improvements	4,729,958	758,420	0	5,488,378
Equipment and Furniture	3,063,271	408,274	0	3,471,545
Vehicles	135,804	29,927	39,153	126,578
Totals	<u>8,279,350</u>	<u>1,246,797</u>	<u>39,153</u>	<u>9,486,994</u>
Net Capital Assets, Being Depreciated	<u>18,383,674</u>	<u>1,737,954</u>	<u>0</u>	<u>20,121,628</u>
Governmental Activities Capital Assets, Net	<u>\$ 19,022,475</u>	<u>\$ 1,737,954</u>	<u>\$ 515,801</u>	<u>\$ 20,244,628</u>
	Beginning Balance	Increases	Decreases	Ending Balance
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Business-Type Activities				
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	\$ 31,808	\$ 0	\$ 0	\$ 31,808
Equipment and Furniture	79,955	0	0	79,955
Totals	<u>111,763</u>	<u>0</u>	<u>0</u>	<u>111,763</u>
Less Accumulated Depreciation for:				
Buildings and Building Improvements	7,423	2,121	0	9,544
Equipment and Furniture	27,146	5,497	0	32,643
Totals	<u>34,569</u>	<u>7,618</u>	<u>0</u>	<u>42,187</u>
Net Capital Assets, Being Depreciated	<u>77,194</u>	<u>(7,618)</u>	<u>0</u>	<u>69,576</u>
Business-Type Activities Capital Assets, Net	<u>\$ 77,194</u>	<u>\$ (7,618)</u>	<u>\$ 0</u>	<u>\$ 69,576</u>

MILTON TOWN SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
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Depreciation was charged as follows:

Governmental Activities:		Business - Type Activities:	
Education	\$ <u>1,246,797</u>	Food Service	\$ <u>7,618</u>
Total Depreciation Expense - Governmental Activities	\$ <u><u>1,246,797</u></u>	Total Depreciation Expense - Business-Type Activities	\$ <u><u>7,618</u></u>

D. Interfund Balances and Transfers

The composition of interfund balances at June 30, 2012 is as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$418,488	\$ 0
State & Federal Program Fund	0	98,198
Building Fund	0	128,769
Food Service Fund	0	193,988
Private Purpose Trust Funds	26	0
Agency Fund	<u>2,441</u>	<u>0</u>
Totals	<u>\$ 420,955</u>	<u>\$420,955</u>

E. Deferred Revenue

Deferred revenue consists of grants received in excess of eligible expenses and receivables not collected within sixty (60) days after year-end as these would not be available to liquidate current liabilities at June 30, 2012 as follows:

MILTON TOWN SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
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	Governmental Activities			Business-Type Activities
	General Fund	State & Federal Program Fund	Building Fund	Food Service Fund
Grant Revenue Received but not yet Eamed:				
IDEA B Grants to States	\$ 0	\$ 44,857	\$ 0	\$ 0
IDEA B Grants to States - Preschool	0	4,189	0	0
Title I Improvement	0	9,246	0	0
Title I	0	32,769	0	0
Miscellaneous Grants	0	4,121	0	0
Act 230	0	3,391	0	0
Eagles Program	0	1,122	0	0
Bay and Paula Foundation	0	3,993	0	0
ICCR Grant	0	4,124	0	0
After School Science Program	0	2,252	0	0
Student /Adult Meal Payments	0	0	0	12,360
Total	0	110,064	0	12,360
Grant Revenue Earned but not Collected within Sixty (60) Days after Year End:				
Special Education Reimbursement	223,676	0	0	0
State of Vermont Driver Ed Reimbursement	3,181	0	0	0
Title II A	0	25,000	0	0
Education Jobs Fund	0	158,366	0	0
State of Vermont Construction Aid	0	0	1,716,173	0
Total	\$ 226,857	\$ 293,430	\$ 1,716,173	\$ 12,360

F. Long-term Liabilities

General Obligation Bonds. The School District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities and to refund prior issues. General obligation bonds have been issued for general governmental activities. Bonds are reported in governmental activities if the debt is expected to be repaid from general governmental revenues.

General obligation bonds are direct obligations and pledge the full faith and credit of the School District. New bonds generally are issued as 10 to 20 year bonds. Refunding bonds are issued for various terms based on the debt service of the debt refunded.

Other Notes Payable – The School District has other notes payable to finance various capital purchases through local banks.

Compensated Absences – It is the policy of the Milton School District to permit employees to accumulate earned but unused benefits. The accrual for unused compensated absences time, based on current pay rates, is recorded in the government-wide financial statements.

MILTON TOWN SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
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Career Change Incentive – The District has recorded a liability for the governmental activities in the government-wide financial statements and in the individual enterprise funds and for the business-type activities in the government-wide financial statements. The School Board decides each year whether to offer career incentive payments to staff who want to voluntarily retire early.

Long-term liabilities outstanding as of June 30, 2012 were as follows:

	<u>Balance</u> <u>July 1, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2012</u>
<u>Governmental Activities:</u>				
Vermont Municipal Bond Bank, Annual Principal Payments of \$280,000 in 1999-2012 and \$275,000 in 2013-2017, Interest Due Semi-Annually, Various Interest Rates, Currently at 5.2%, Matures December 1, 2017	\$ 1,935,000	\$ 0	\$ 280,000	\$ 1,655,000
Vermont Municipal Bond Bank, Annual Principal Payments of \$65,000, Interest Due Semi- Annually, Various Interest Rates, Currently at 1.691% Matures November 15, 2039	1,235,000	0	65,000	1,170,000
Vermont Municipal Bond Bank, Annual Principal Payments of \$210,000 in 2008-2013 and \$205,000 in 2014-2027, Interest Due Semi-Annually, Various Interest Rates, Currently at 4.065%, Matures December 1, 2027	3,500,000	0	210,000	3,290,000
SunTrust Bank - Lease Payable, Annual payment of \$52,210 Including interest at 4.67%, Matures February 7, 2017	275,858	0	40,894	234,964

MILTON TOWN SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
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	<u>Balance</u> <u>July 1, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2012</u>
Northway Savings Bank - Lease Payable, Annual Payments of \$44,333 including interest at 3.77%	\$ 42,722	\$ 0	\$ 42,722	\$ 0
Municipal Leasing - Lease Payable, Annual Payments of \$12,805 Including Interest of 4.77% Matures July 15, 2012	<u>23,888</u>	<u>0</u>	<u>11,666</u>	<u>12,222</u>
Total	<u>\$ 7,012,468</u>	<u>\$ 0</u>	<u>\$ 650,282</u>	<u>\$ 6,362,186</u>

Changes in all long-term liabilities during the year were as follows:

	<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending</u> <u>Balance</u>	<u>Due Within</u> <u>One Year</u>
Governmental Activities:					
General Obligation Bonds Payable	\$ 6,670,000	\$ 0	\$ 555,000	\$ 6,115,000	\$ 555,000
Leases Payable	342,468	0	95,282	247,186	53,779
Compensated Absences	15,433	0	0	15,433	0
Career Change Incentive	<u>412,494</u>	<u>214,878</u>	<u>137,498</u>	<u>489,874</u>	<u>209,124</u>
Total Governmental Activities					
Long-Term Liabilities	<u>\$ 7,440,395</u>	<u>\$ 214,878</u>	<u>\$ 787,780</u>	<u>\$ 6,867,493</u>	<u>\$ 817,903</u>
Business-type Activities:					
Career Change Incentive	<u>\$ 0</u>	<u>\$ 117,339</u>	<u>\$ 0</u>	<u>\$ 117,339</u>	<u>\$ 39,112</u>
Total Governmental Activities					
Long-Term Liabilities	<u>\$ 0</u>	<u>\$ 117,339</u>	<u>\$ 0</u>	<u>\$ 117,339</u>	<u>\$ 39,112</u>

MILTON TOWN SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
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Debt service requirements to maturity are as follows:

<u>Year Ending</u> <u>June 30,</u>	<u>Governmental Activities</u>		<u>Capital</u> <u>Lease</u>
	<u>Principal</u>	<u>Interest</u>	
2013	\$ 555,000	\$ 269,277	\$ 71,850
2014	550,000	244,732	52,210
2015	545,000	223,358	52,210
2016	545,000	198,149	52,210
2017	545,000	172,591	52,210
2018-2022	1,625,000	587,502	0
2023-2027	1,350,000	275,190	0
2028-2030	<u>400,000</u>	<u>23,986</u>	<u>0</u>
Total	6,115,000	1,994,785	280,690
Less: Imputed Interest	<u>0</u>	<u>0</u>	<u>(33,504)</u>
Total	<u>\$6,115,000</u>	<u>\$1,994,785</u>	<u>\$247,186</u>

G. Short-Term Debt

The short-term debt activity during the year was as follows:

Beginning Balance	\$ 2,020,000
Proceeds of Tax Anticipation Note	5,400,000
Repayment of Capital Improvement Note	(442,536)
Repayment of Tax Anticipation Note	<u>(5,400,000)</u>
Ending Balance	<u>\$ 1,577,464</u>

The beginning balance is a short-term capital improvement note. The School District anticipated paying off the debt within the year, however, they were only able to pay off \$442,536 of the debt during the year. The note was refinanced for an additional year.

The ending balance is a capital improvement note in the amount of \$1,577,464 with the Merchants Bank with interest at 1.99% and due on May 18, 2013.

Total interest expense for all debt during the year included in direct educational expenses on Exhibit B is \$402,359

Subsequent to year end, the School District borrowed \$5,500,000 on a tax anticipation note from the People's United Bank with interest at 1.58% and due on June 28, 2013.

MILTON TOWN SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
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H. Fund Balances/Net Assets

The School District adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions".

GASB Statement No. 34, as amended by GASB Statement No. 54, requires fund balances reported on the governmental fund balance sheet to be classified using a hierarchy based primarily on the extent to which a government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Governmental fund balances are to be classified as: nonspendable (not in spendable form or legally required to remain intact); restricted (constraints on the use of resources are either externally imposed by creditors, grantors or donors, or imposed by law through enabling legislation); committed (constraints on the use of resources are imposed by formal action of the voters); assigned (reflecting the School Board's intended use of the resources); and unassigned.

This statement is also designed to improve the usefulness of fund balance information by clarifying certain parts of the definitions of governmental fund types that have led to confusion. It makes clear, for example, that special revenue funds are created only to report a revenue source (or sources) that is restricted or committed to a specified purpose, and that the revenue source should constitute a substantial portion of the resources reported in that fund. Special revenue funds cannot be used to accumulate funds that are not restricted or committed. These amounts will have to be reflected in the General Fund.

Information about amounts set aside for emergencies is very important to financial statement users. Because of the importance associated with these balances, Statement 54 clarifies how rainy-day amounts can be reported by treating stabilization arrangements as a specified purpose. Consequently, amounts constrained to stabilization will be reported as restricted or committed fund balance in the General Fund if they meet the other criteria for those classifications. However, stabilization is regarded as a specified purpose only if the circumstances or conditions that signal the need for stabilization (a) are identified in sufficient detail and (b) are not expected to occur routinely. Governments are required to disclose in the notes key information about their stabilization arrangements, including the authority by which they were established, provisions for additions to the stabilization amount, and circumstances under which those amounts may be spent. The School District does not have any stabilization arrangements.

Some governments create stabilization-like arrangements by establishing formal minimum fund balance policies. Because users are interested in information about those minimum fund balance policies and how governments comply with them, governments are required to explain their minimum fund balance policies, if they have them, in notes to the financial statements. The School District does not have any minimum fund balance policies.

MILTON TOWN SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
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Under Statement 54, governments are required to disclose their accounting policies that indicate the order in which restricted, committed, assigned, and unassigned amounts are spent, in circumstances when expenditure is made for a purpose for which amounts are available in multiple fund balance classifications. When expenditures are incurred for purposes for which both restricted and unrestricted amounts are available, it is the School District's policy to first consider restricted amounts to have been spent, followed by committed, assigned, and finally unassigned amounts.

In addition, governments also are required to disclose the purpose for each major special revenue fund – identifying which specific revenues and other resources are authorized to be reported in each.

The Fund Balances in the following funds are nonspendable as follows:

Nonspendable General Fund Prepaid Expenses	\$ 1,200
Nonspendable General Fund Due from Other Funds - Internal Receivable from the Food Service Fund Which has a Fund Deficit	<u>193,988</u>
Total Nonspendable Fund Balances	<u>\$195,188</u>

The Fund Balances/Net Assets in the following funds are restricted as follows:

Restricted for Courtyard Improvements by Donor Request (Source of Revenue is Donations)	\$ 9,940
Restricted for VEHI Path Points Grant Fund by Grant Agreement (Source of Revenue is Grant Revenue)	61,510
Restricted for Medicaid Grant Fund by Grant Agreement (Source of Revenue is Grant Revenue)	84,114
Restricted for E-Rate Grant Fund by Grant Agreement (Source of Revenue is Grant Revenue)	<u>8,279</u>
Total Restricted Fund Balances/Net Assets	<u>\$163,843</u>

MILTON TOWN SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2012

I. Net Assets Held in Trust for Various Purposes.

The net assets held in trust for various purposes as of June 30, 2012 consisted of the following:

Private Purpose Trust Funds

Restricted for Scholarships by Donors:	
Ryan/Ladue Scholarship Fund	\$ 266,820
Barrett/Ryan Scholarship Fund	4,781
Michael Nason Scholarship Fund	622
Mary Kennedy Scholarship Fund	726
W. LaPoint Scholarship Fund	<u>12,191</u>
Total	\$ <u>285,140</u>

V. OTHER INFORMATION

A. BENEFIT PLANS

Vermont State Teachers' Retirement System:

The teachers employed by the School District are covered by the Vermont State Teachers' Retirement System which is a cost sharing multiple employer retirement system. Vermont State statutes provide the authority under which benefit provisions and the State's obligation to contribute are established. Required contributions to the system are made by the State of Vermont based upon a valuation report prepared by the System's actuary.

All licensed teachers become members of the retirement system upon employment. Group C members, who are all former Group B members and members hired after June 30, 1990, are required to contribute at a rate of 5.0% of earnable compensation. The School District's Group C members contributed \$507,185. Vesting occurs upon reaching five (5) years of creditable service. The State makes retirement contributions on all eligible covered salaries on-behalf of the District.

The District's current year payroll for all employees totaled \$14,420,113 while its current year's covered payroll for the State Teacher's Retirement Plan equaled \$10,147,625 resulting in an estimated \$857,474 of on-behalf payments. This amount is included as Revenue and Expenses in Exhibits B and D. Additional information regarding the State Teachers' Retirement System of Vermont is available upon request from the State of Vermont.

Vermont Municipal Employees Retirement:

Employees, other than teachers, are covered under the Vermont Municipal Employees' Retirement System. All eligible employees covered under Group A contribute 2.5% of gross wages while the School District contributes 4%. Total payroll for the year was \$14,420,113 while the covered payroll for Group A was \$2,860,700. Pension expense for the year was \$114,428.

MILTON TOWN SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2012

The School District pays all costs accrued each year for the plan. The premise of this plan is to provide a retirement plan covering municipal employees at a uniform state-wide contribution rate based upon an actuarial valuation of all State of Vermont municipal employees. Activity in this plan is done in the aggregate, not by municipality. Due to the nature of this pension plan, net assets available for benefits as well as the present value of vested and nonvested plan benefits by municipality are not determinable.

Additional information regarding the Vermont Municipal Employee's Retirement System is available upon request from the State of Vermont.

B. CAREER CHANGE INCENTIVE

The School Board offered three (3) career change incentive options:

Option 1:

Eligibility: Grandfathered support staff employees in group III (food service personnel) shall be eligible for this incentive.

Number of Participants: 4

Up to 4 eligible employees may participate in the program. If there are more than 4 eligible applicants who wish to participate in the program, the Board may, at its sole discretion, decide to increase or not increase the number of eligible participants. The Board's decision to increase or not increase the number of participants is final and not subject to the grievance procedures of the Master Contract.

Selection of Participants: Applications will be processed on a first come first approved basis. Example: An eligible application received on June 1st would be approved prior to an application received on June 15th.

Duration of Offer: June 1 through June 15, 2012.

Compensation: Any eligible employee who elects to resign under the terms of this program shall receive \$1,000 for each full school year of service with the Milton Town School District as of June 30, 2012. Example: an employee hired on November 1, 1990 would not have worked the entire 1990-2000 school year and would thus have 21 full school years with the District as of June 30, 2012 and receive \$21,000 in compensation.

MILTON TOWN SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2012

Option 2:

Eligibility: Faculty members who have taught in the School District for 18 years as of June 30, 2012 shall be eligible for this incentive.

Number of Participants: 6

Up to six (6) eligible faculty members may participate in the program. If there are more than six (6) eligible applicants who wish to participate in the program, the Board may, at its sole discretion, decide to increase or not increase the number of participants. The Board's decision to increase the number of participants or not to increase the number of participants is final and not subject to the grievance procedures of the Master Contract.

Selection of Participants: Applications will be processed on a first come first approved basis. Example: An eligible application received on January 16th would be approved prior to an application received on January 17th.

Duration of Offer: January 23 through March 15, 2012.

Compensation: For any eligible faculty member that elects to resign under terms of this program, the following compensation will be provided. Compensation will be a percentage of the faculty member's annual teaching salary and does not include additional compensation for co-curricular or extra-curricular activities, work stipends, per diem payments, payment for extra days worked or any other additional compensation. Part-time faculty will receive compensation on a pro rata basis.

Salary Grid Placement as of July 1, 2011	Percentage of Annual Teaching Salary (does not include additional compensation for co- curricular or extra-curricular activities, work stipends, per diem payments, payment for extra days worked or any other additional compensation)
BA+30 Steps 9 and 10	20% of FY12 salary
MA Steps 11 and 12	40% of FY12 salary
MA+15 Steps 13 and 14	50% of FY12 salary
MA+30 Steps 12, 13 and 14	55% of FY12 salary
MA+30 Steps 15 and 16	60% of FY12 salary

MILTON TOWN SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2012

Option 3:

Eligibility: Faculty members who have taught in the School District for 18 years as of June 30, 2011 shall be eligible for this incentive.

Number of Participants: 15

Up to 15 eligible faculty members may participate in the program. If there are more than 15 eligible applicants who wish to participate in the program, the Board may, at its sole discretion, decide to increase or not increase the number of participants. The Board's decision to increase the number of participants or not to increase the number of participants is final and not subject to the grievance procedures of the Master Contract.

Selection of Participants: Applications will be processed on a first come first approved basis. Example: an eligible application received on February 10 would be approved prior to an application received on February 11.

Duration of Offer: February 10 through March 15, 2011.

Compensation: For any eligible faculty member that elects to resign under the terms of this program, the following compensation will be provided. Compensation will be a percentage of the faculty member's annual teaching salary and does not include additional compensation for co-curricular or extra-curricular activities, work stipends, per diem payments, payment for extra days worked or any other additional compensation. Part-time faculty will receive compensation on a pro rata basis.

Salary Grid Placement as of January 30, 2011	Percentage of Annual Teaching Salary (does not include additional compensation for co- curricular or extra-curricular activities, work stipends, per diem payments, payment for extra days worked or any other additional compensation)
BA+30 Steps 9 and 10	20% of FY11 salary
MA Steps 10 and 11	40% of FY11 salary
MA+15 Steps 13 and 14	50% of FY11 salary
MA+30 Steps 13 and 14	55% of FY11 salary
MA+30 Steps 15 and 16	60% of FY11 salary

Payments were made to 18 teachers under the agreement payable under options 1, 2 and 3. Total payments made during the year ended June 30, 2012 totaled \$137,498.

MILTON TOWN SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2012

Remaining payments under the above agreements at June 30, 2012 are due as follows:

	<u>Governmental Funds</u>	<u>Enterprise Fund</u>
2013	\$ 209,124	\$ 39,112
2014	209,124	39,112
2015	<u>71,626</u>	<u>39,115</u>
Total	<u>\$ 489,874</u>	<u>\$ 117,339</u>

C. RISK MANAGEMENT

The Milton School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The School District maintains insurance coverage through the Vermont School Boards Insurance Trust, Inc. covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the School District. Settled claims have not exceeded this coverage in any of the past three fiscal years. The School District must remain a member for a minimum of one year and may withdraw from the Fund after that time by giving sixty days notice. Fund underwriting and rate setting policies have been established after consultation with actuaries. Fund members are subject to a supplemental assessment in the event of deficiencies. If the assets of the Fund were to be exhausted, members would be responsible for the Fund's liabilities.

In addition, the School District is a member of Vermont Educational Health Initiative (VEHI). VEHI is a nonprofit corporation formed to provide health insurance and wellness programs for Vermont school districts and is owned by the participating members. The agreement does not permit VEHI to make additional assessments to its members.

The School District has elected to pay actual unemployment claims instead of enrolling in an employment insurance program. No liabilities have been accrued as the School District is not able to make an estimate as to any future costs. The District paid \$24,203 in unemployment claims during fiscal year 2012.

D. COMMITMENTS

The School District has a transportation agreement with Student Transport of Vermont, Inc. d/b/a Mountain Transit for two (2) years starting July 1, 2011. The total cost for the 2012 fiscal year is \$807,744.

MILTON TOWN SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2012

Future minimum lease payments are as follows:

2013	<u>\$814,035</u>
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E. CONCENTRATIONS

The District received the majority of its revenue from State and Federal grants.

F. CONTINGENCIES

Grants and contracts require the fulfillment of certain conditions set forth in the instrument of the grant or contract including a true up by the grantor. Failure to fulfill the conditions or the results of the true up could result in the return of funds to the grantors. Although that is a possibility, management deems the contingency remote, since by accepting the awards and their terms, it has accommodated the objectives of the School District to the provisions of the grants.

MILTON TOWN SCHOOL DISTRICT
SCHEDULE OF REVENUE AND EXPENDITURES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2012

	Budget	Actual	Variance Favorable (Unfavorable)
Revenue:			
Regular Instructional:			
General State Support Grants	\$ 19,400,864	\$ 19,400,864	\$ 0
Other State Revenue	225,325	254,966	29,641
Other Local Revenue	95,285	128,492	33,207
Tuition	59,000	70,560	11,560
Special Education Support:			
State Revenue	2,622,928	2,609,193	(13,735)
EEE Block Grant	120,952	120,952	0
Vocational Transportation Reimbursement	35,382	74,703	39,321
Interest	74,413	18,204	(56,209)
Total Revenue	22,634,149	22,677,934	43,785
Expenditures:			
Regular Instructional:			
Direct Instructional	9,020,802	8,719,046	301,756
Technology Support	277,662	338,027	(60,365)
Guidance Services	677,493	656,664	20,829
Health Services	262,603	230,966	31,637
Library	329,413	312,110	17,303
Principals Office	1,259,475	1,372,694	(113,219)
Operation and Maintenance of Plant	1,901,894	3,900,198	(1,998,304)
Extra Curricular	496,340	488,061	8,279
Psychological Services	0	3,503	(3,503)
Professional Services	0	12,688	(12,688)
Board of School Trustees	66,088	55,500	10,588
Superintendent Office	251,621	244,367	7,254
Business Office	400,105	413,484	(13,379)
Security	7,800	6,277	1,523
Tuition and Reimbursement	155,000	134,038	20,962
Transportation Services	412,900	483,387	(70,487)
Special Education Support:			
Direct Instructional	3,479,043	3,548,291	(69,248)
Speech & Audiology	325,941	338,449	(12,508)
Occupational Therapy	83,036	69,729	13,307
Guidance Services	85,183	80,332	4,851
Health Services	63,994	59,506	4,488
Psychological Services	23,717	29,310	(5,593)
Physical Therapy	7,480	4,941	2,539
Professional Services	173,111	186,793	(13,682)
SPED Coordinators Office	209,942	198,125	11,817
Tuition Reimbursement	22,350	44,216	(21,866)
Transportation Services	249,119	263,249	(14,130)
Essential Early Education:			
Direct Instruction	290,131	269,986	20,145
Psychological Services	0	433	(433)
Speech & Audiology	124,995	119,266	5,729
Occupational Therapy	39,741	11,715	28,026
Tuition Reimbursement	3,675	0	3,675
Transportation Services	56,309	61,108	(4,799)
Vocational Education	806,864	936,327	(129,463)
Debt Service	1,070,322	1,008,720	61,602
Total Expenditures	22,634,149	24,601,506	(1,967,357)
Excess/(Deficiency) of Revenue Over Expenditures	\$ 0	\$ (1,923,572)	\$ (1,923,572)

See Disclaimer in Accompanying Independent Auditor's Report

MILTON TOWN SCHOOL DISTRICT
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS
 PRIVATE PURPOSE TRUST FUNDS
 JUNE 30, 2012

	Ryan/Ladue Scholarship Fund	Barrett/Ryan Scholarship Fund	Michael Nason Scholarship Fund	Mary Kennedy Scholarship Fund	W. LaPointe Scholarship Fund	Total
<u>ASSETS</u>						
Cash	\$ 15,607	\$ 0	\$ 0	\$ 0	\$ 0	\$ 15,607
Investments	273,306	4,781	622	700	12,191	291,600
Due from Other Funds	<u>0</u>	<u>0</u>	<u>0</u>	<u>26</u>	<u>0</u>	<u>26</u>
TOTAL ASSETS	\$ <u>288,913</u>	\$ <u>4,781</u>	\$ <u>622</u>	\$ <u>726</u>	\$ <u>12,191</u>	\$ <u>307,233</u>
<u>LIABILITIES AND NET ASSETS</u>						
Liabilities:						
Due to Students	\$ <u>22,093</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>22,093</u>
Net Assets:						
Restricted	<u>266,820</u>	<u>4,781</u>	<u>622</u>	<u>726</u>	<u>12,191</u>	<u>285,140</u>
Total Net Assets	<u>266,820</u>	<u>4,781</u>	<u>622</u>	<u>726</u>	<u>12,191</u>	<u>285,140</u>
TOTAL LIABILITIES AND NET ASSETS	\$ <u>288,913</u>	\$ <u>4,781</u>	\$ <u>622</u>	\$ <u>726</u>	\$ <u>12,191</u>	\$ <u>307,233</u>

See Disclaimer in Accompanying Independent Auditor's Report.

MILTON TOWN SCHOOL DISTRICT
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
 PRIVATE PURPOSE TRUST FUNDS
 FOR THE YEAR ENDED JUNE 30, 2012

	Ryan/Ladue Scholarship Fund	Barrett/Ryan Scholarship Fund	Michael Nason Scholarship Fund	Mary Kennedy Scholarship Fund	W. LaPointe Scholarship Fund	Total
Additions:						
Net Investment Income	\$ 9,550	\$ 16	\$ 3	\$ 0	\$ 47	\$ 9,616
Total Additions	<u>9,550</u>	<u>16</u>	<u>3</u>	<u>0</u>	<u>47</u>	<u>9,616</u>
Deductions:						
Administrative Expense	954	0	0	0	0	954
Scholarships and Awards	8,000	0	200	100	500	8,800
Total Deductions	<u>8,954</u>	<u>0</u>	<u>200</u>	<u>100</u>	<u>500</u>	<u>9,754</u>
Change in Net Assets	596	16	(197)	(100)	(453)	(138)
Net Assets - July 1, 2011	<u>266,224</u>	<u>4,765</u>	<u>819</u>	<u>826</u>	<u>12,644</u>	<u>285,278</u>
Net Assets - June 30, 2012	\$ <u><u>266,820</u></u>	\$ <u><u>4,781</u></u>	\$ <u><u>622</u></u>	\$ <u><u>726</u></u>	\$ <u><u>12,191</u></u>	\$ <u><u>285,140</u></u>

See Disclaimer in Accompanying Independent Auditor's Report.

MILTON TOWN SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2012

Grant Title Federal Grantor/ Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Expenditures
<u>U.S. Department of Education</u>				
Passed through Vermont State Department of Education				
Special Education Cluster (IDEA)				
IDEA-B Flow Through	84.027	4226T1261201	523,222	\$ 478,365
IDEA-B Basic - ARRA	84.391	4756T1261201	306,089	291,851
IDEA-B Preschool Incentive	84.173	4228-T1261201	16,487	12,298
IDEA-B Preschool Incentive - ARRA	84.392	4758-T1261201	9,078	<u>6,384</u>
Total Special Education Cluster (IDEA)				788,898
Title I	84.010	4250T1261201	493,400	438,031
Education Jobs Fund	84.410	4120T1261101	339,966	303,017
Title II-A	84.367	4651T1261201	126,485	<u>126,485</u>
Total U.S. Department of Education				<u>1,656,431</u>
<u>U.S. Department of Health</u>				
Passed through Vermont State Department of Education				
Student Assistance Program (SAP)	93.959	03420-A12135P	65,337	<u>65,337</u>
Total U.S. Department of Health				<u>65,337</u>
<u>U.S. Department of Agriculture</u>				
Passed through Vermont State Department of Education				
Child Nutrition Cluster				
National Hot Lunch	10.555	4450T1261200	N/A	195,768
School Breakfast Program	10.553	4452T1261200	N/A	41,596
Summer Food Program	10.559	4455T1261200	N/A	<u>7,170</u>
Total Child Nutrition Cluster				244,534
Commodities	10.550	4453T1261200	N/A	<u>24,644</u>
Total U.S. Department of Agriculture				<u>269,178</u>
Total Federal Awards				<u>\$ 1,990,946</u>

The Schedule of Expenditures of Federal Awards includes the Federal grant activity of the Milton Town School District and was prepared using the significant accounting policies outlined in Note 1 to the financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations". Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

77 Barre Street
P.O. Box 947
Montpelier, VT 05601
802/223-2352
802/223-3578 FAX

Fred Duplessis, CPA
Richard J. Brigham, CPA
Chad A. Hewitt, CPA
Wendy C. Gilwee, CPA
VT Lic. #92-000180

Report on Internal Control Over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with "Government Auditing Standards"

School Board
Milton Town School District
42 Herrick Avenue
Milton, Vermont 05468

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Milton Town School District as of and for the year ended June 30, 2012, which collectively comprise the Milton Town School District's basic financial statements and have issued our report thereon dated January 31, 2013. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in "Government Auditing Standards", issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of the Milton Town School District is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Milton Town School District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Milton Town School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Milton Town School District's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Milton Town School District's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as described previously. However, as described in the accompanying Schedule of Findings and Deficiencies in Internal Control, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A significant deficiency is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider Items 12-1 through 12-3, described in the accompanying Schedule of Findings and Deficiencies in Internal Control, to be significant deficiencies.

Compliance and Other Matters

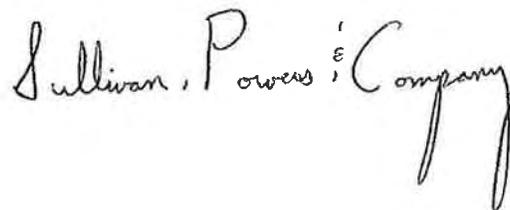
As part of obtaining reasonable assurance about whether the Milton Town School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instance of noncompliance or other matters that are required to be reported under "Government Auditing Standards".

We also noted certain other matters that we reported to the management of the Milton Town School District in a separate letter dated January 31, 2013.

The School District's response to the finding identified in our audit is attached to the accompanying Schedule of Findings and Deficiencies in Internal Control. We did not audit the School District's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the School Board, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

January 31, 2013
Montpelier, Vermont
VT Lic. #92-000180

Handwritten signature of Sullivan, Powers & Company in cursive script.

77 Barre Street
P.O. Box 947
Montpelier, VT 05601
802/223-2352
802/223-3578 FAX

Fred Duplessis, CPA
Richard J. Brigham, CPA
Chad A. Hewitt, CPA
Wendy C. Gilwee, CPA
VT Lic. #92-000180

Report on Compliance with Requirements That Could Have a Direct
and Material Effect on Each Major Program and on Internal Control
Over Compliance in Accordance with OMB Circular A-133

School Board
Milton Town School District
42 Herrick Avenue
Milton, Vermont 05468

Compliance

We have audited the compliance of the Milton Town School District with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) "Circular A-133 Compliance Supplement" that could have a direct and material effect on each of Milton Town School District's major federal programs for the year ended June 30, 2012. The Milton Town School District's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Deficiencies in Internal Control. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Milton Town School District's management. Our responsibility is to express an opinion on the Milton Town School District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in "Government Auditing Standards", issued by the Comptroller General of the United States; and OMB Circular A-133. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Milton Town School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Milton Town School District's compliance with those requirements.

In our opinion, the Milton Town School District complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012.

Internal Control Over Compliance

The management of the Milton Town School District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Milton Town School District's internal control over compliance with requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Milton Town School District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined previously.

This report is intended solely for the information and use of management, the School Board, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

January 31, 2013
Montpelier, Vermont
VT Lic. #92-000180

Sullivan, Powers & Company

MILTON TOWN SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
AND DEFICIENCIES IN INTERNAL CONTROL
JUNE 30, 2012

Deficiencies in Internal Control:

Material Weaknesses:

11-1 Lack of Expertise in Financial Accounting and Reporting

Condition:

Under SAS 115, an internal control deficiency exists when management does not possess the financial expertise to prepare financial statements in accordance with generally accepted accounting principles.

Criteria:

According to OMB-Circular A-133, internal controls should be in place to provide reasonable assurance that permits the preparation of reliable financial statements and federal reports. According to SAS 115, a lack of accounting expertise is considered an internal control deficiency

Effect:

Because management lacks expertise in financial accounting and reporting, there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected under SAS 115.

Recommendation:

To correct these deficiencies, the Milton Town School District would need to hire personnel with adequate accounting experience to perform these functions. The District would need to weigh the costs of these corrections versus the benefits.

Corrective Action:

Corrective action was taken.

MILTON TOWN SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND DEFICIENCIES IN INTERNAL CONTROL
JUNE 30, 2012

SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of Auditor's Report Issued:
Unqualified.

Internal Control Over Financial Reporting:
Material Weaknesses:
No.

Significant Deficiencies identified not considered to be material weaknesses:
Yes.

Noncompliance material to financial statements:
None noted.

Federal Awards

Internal Control Over Major Programs:
Material Weaknesses identified:
No.

Significant Deficiencies identified not considered to be material weaknesses:
No.

Type of auditor's report issued on compliance for major programs:
Unqualified for all major programs.

There are no audit findings that are required to be reported in accordance with OMB Circular A-133, Section 510(a).

Major Programs:

<u>CFDA #</u>	<u>Program</u>
84.010	Title I Grants to Local Educational Agencies
84.410	Education Jobs Fund

MILTON TOWN SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND DEFICIENCIES IN INTERNAL CONTROL
JUNE 30, 2012

Special Education Cluster (IDEA):

84.027	IDEA-B Flow Through
84.391	IDEA-B Basic - ARRA
84.173	IDEA-B Preschool Incentive
84.392	IDEA-B Preschool Incentive - ARRA

The dollar threshold used to distinguish between Type A and Type B programs was \$300,000.

The auditee does not qualify as a low risk auditee.

Deficiencies in Internal Control:

Material Weaknesses:

None noted.

Significant Deficiencies:

12-1 Student Activities

Criteria:

Internal controls should be in place to ensure the proper accounting for student activity funds.

Condition:

The School District does not have adequate controls in place to ensure that all the revenues and expenses are being accounted for. The School District maintains the accounts on an excel spreadsheet. The cash accounts are reconciled to the excel spreadsheet but not reconciled to the general ledger. Also, the School District does not have a policy in place to deal with overspent accounts or accounts (groups) left with balances.

Cause:

Unknown.

Effect:

This one deficiency in internal controls could potentially lead to assets being misappropriated or bank errors to occur and not be resolved in a timely manner.

MILTON TOWN SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND DEFICIENCIES IN INTERNAL CONTROL
JUNE 30, 2012

Recommendation:

We recommend that the School District implement controls to ensure that the student activities bank accounts are reconciled on a timely basis to the software and agreed to supporting records.

12-2 Fixed Assets

Criteria:

Internal controls should also be in place to perform a physical inventory of the fixed assets periodically and compare them to the fixed assets in the general ledger. Also, internal controls should be in place to review the useful lives periodically.

Condition:

The School District has not performed a complete physical inventory of their fixed assets. The School District has also not evaluated the useful lives of the fixed assets.

Cause:

Unknown.

Effect:

The School District's fixed assets could be misstated.

Recommendation:

We recommend that controls be implemented to ensure that a physical inventory is performed periodically and reconciled to the general ledger. We also recommend that internal controls be implemented to ensure that the useful lives are periodically reviewed for reasonableness.

12-3 Journal Entries

Criteria:

Internal controls should be in place over the preparation, approval, and posting of journal entries to help ensure that entries are valid and appropriate, adequately supported, and posted as prepared.

MILTON TOWN SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND DEFICIENCIES IN INTERNAL CONTROL
JUNE 30, 2012

Condition:

The School District has a policy which requires review and approval of journal entries. Journal entries initiated at the School Business Office are reviewed and approved, however, journal entries generated from the Finance Department are not reviewed and approved.

Cause:

Unknown.

Effect:

This one deficiency in the internal control structure could allow other working control policies to be circumvented.

Recommendation:

We recommend that the School District implement controls to ensure their policy to review and approve all journal entries in a timely manner is being followed.



Milton Town School District

42 Herrick Avenue, Milton, VT 05468-3097 (802) 893-3210 Fax: (802) 893-3213

John L. Barone, Sr., Superintendent www.mtsd-vt.org Donald P. Johnson, Business Manager

Date: January 31, 2013
To: Sullivan, Powers & Company
From: Don Johnson
Re: Corrective Actions for FY2012 Audit Findings

Audit Finding 12-1 Student Activities

Internal controls should be in place to ensure the proper accounting for student activity funds.

Corrective Action: Currently the district's student activity checking account is held within a financial institution outside of the district's primary sweep account. The district initiates payments through the general fund and then the outside checking account reimburses the general fund for those expenditures. I will work with our student activity processor, the finance director and the treasurer to investigate closing the outside checking account and bring the entire operation of student activity within our primary sweep account thereby defaulting to existing adequate internal controls. Revenue accounts and expenditure accounts would thereby be accurate and current; carryover revenue would be accounted for as deferred revenue for each individual account. Reconciliation of the student activity accounts would take place monthly as part of our primary sweep account bank reconciliation process. Should consensus be that retaining the outside student activity checking account makes more sense I will work with the same group of individuals to generate appropriate internal controls while communicating our progress in real time to Sullivan, Powers & Company to ensure measures meet requirements for internal controls.

Audit Finding 12-2 Fixed Assets

Internal controls should also be in place to perform a physical inventory of the fixed assets periodically and compare them to the fixed assets in the general ledger. Also, internal controls should be in place to review the useful lives periodically.

Corrective Action: Prior to FY2012 the district's fixed asset schedule was updated and maintained by the auditing firm each fiscal year. The finding is absolutely correct in that while the district maintains current equipment (computers, etc) physical inventories the district has not performed an entire comparison to the fixed assets in the general ledger. Updating and reconciling the district's fixed asset inventory will now take place annually in conjunction with our insurance renewal process whereby I update our statement of values. A review of useful lives will take place during that time and proposed adjustments will be verified with the auditing firm prior to initiation.

Audit Finding 12-3 Journal Entries

Internal controls should be in place over the preparation, approval, and posting of journal entries to help ensure that entries are valid and appropriate, adequately supported, and posted as prepared. The School District has a policy which requires review and approval of journal entries. Journal entries initiated at the School Business Office are reviewed and approved, however, journal entries generated from the Finance Department are not reviewed and approved.

Corrective Action: I will work with our finance director, finance department staff and treasurer to review current practice and policy for town municipal journal entries initiated on behalf of the school district. We will work together to parallel the practice of district initiated journal entry review and approval and develop standard procedures to ensure that all journal entries are reviewed and approved in a timely manner. The District and the Town have an excellent working relationship and we will be able easily work together to make any necessary adjustments. I will keep Sullivan, Powers & Company updated on our progress and request their review before implementing procedures and changes to make sure we are addressing exactly what should be. It's great that these items come to light and we will definitely ensure internal controls are in place to make our system even stronger.

MILTON TOWN SCHOOL DISTRICT PAYROLL
CALENDAR YEAR 2012 GROSS WAGES

		Amounts listed include regular wages and compensation for extra duty					
DUNN	TIMOTHY	92,997.63	GRACE	12,705.00	KNIGHT	MARY	2,112.50
DUSABLON	CARLA	15,293.87	GRANT	1,019.20	KNOWLES	JENNIFER	66,348.50
EATON	ASHLEY	227.50	GRIMES	55,480.60	KOESTER	TAMI	57,955.00
EATON	SHEILA	58,821.20	GUERIN	18,541.47	KOSHINSKY	DANIEL	2,363.35
ECKERSON	JOHN	58,905.55	GUERIN	74,985.60	KOVALIV	ANNA	735.00
EDDY	STEPHANIE	1,720.00	GUIMARAES	19,180.11	LACROSS	DEBBIE	10,753.20
EHLER	KAREN	13,721.42	HAAS	59,650.60	LACY	SHERI	2,673.50
EHRET	SHARON	65,263.73	HAHN	162.50	LADABOUCHE	MARY	20,077.90
ELLER	ROBIN	19,484.84	HAMMOND	59,892.30	LAFLEUR	DONALD	4,421.00
EMERY	LEEANN	150.00	HANSON	1,944.00	LAFOUNTAIN	RANDALL	24,483.80
EMRICH	ANDREW	24,174.08	HANSON	17,190.77	LAFRANCE	MAURICE	6,505.62
ENDRES	STACEY	62,179.30	HARDING	8,395.75	LAFRANCE	YVONNE	27,646.29
EYLER	MARY	66,945.50	HASSETT	857.00	LAFROMBOISE	MARIELANA	13,689.73
FABRI SBARDELLATI	JANA	53,718.02	HATHAWAY	18,399.14	LAKE	SARAH	585.00
FARLEY	MICHAEL	16,337.78	HATIN	16,044.68	LAMARCHE	LORIE	528.00
FENTON	PAULA	24,561.13	HAUG	11,652.00	LAMB	JANET	75,390.60
FERGUSON	ROSE	67,443.40	HAYDEN	3,422.66	LAMORE	PAULINE	3,272.23
FERRIS	WILLIAM	60.00	HAYDEN-RALEY	65,222.68	LAMOTTE	JENNIFER	10,062.43
FERRIS-LETOS	STACI	57,571.00	HENSON	98.00	LAMOTTE	JORDAN	9,626.25
FIELD	REBECCA	539.00	HENSON	329.60	LAMPHERE	CHERYL	15,259.30
FILION	ANGELA	54,859.30	HENSON	56,983.69	LAMPHERE	LINDA	8,786.50
FINNIGAN	JOHN	74,543.10	HEPP	17,290.40	LANE	JULIA	67,443.40
FIRKEY	ROXANNE	14,367.75	HICKEY	425.00	LAPIERRE	LEANNE	1,785.00
FITZGERALD	ANGELA	48,985.11	HILLEGAS	1,618.00	LAPIERRE	LINDA	16,781.12
FITZGERALD	ASHLEY	49,775.44	HOUGHTON	1,015.00	LAPOINTE	KINGSLEY	260.00
FITZPATRICK	SANDRA	28,164.20	HOUGHTON	10,792.20	LAREAU	GEORGE	48,886.04
FLOWERS	KYLENE	58,090.85	HOWARD	28,500.44	LAROSE	KRISTIE	22,687.48
FOSHER	CLAIRE	58,985.80	HOWE	50,039.58	LAROSE	STEPHANIE	6,345.45
FROESCHL	MARIE	45,452.90	HUANG	1,151.80	LAUZON	MELISSA	20,270.21
FULCHINO	MICHAEL	24,760.55	HUGHES	7,860.00	LAVOIE	JOHN-PAUL	63,288.80
FURLONG	GARY	81,356.70	HUNTOON	74.80	LEARD	RACHEL	19,583.33
FURNESS	HANNAH	2,574.80	HURLEY	65,362.50	LEARNED	JOHN	3,588.00
GADBOIS	GEOFFREY	1,267.50	HYPPA	591.70	LECLAIR	SHERRY	13,948.17
GAGE	BETH	61,016.00	JASINSKI	617.40	LEDUC	CHRISTOPHER	1,277.00
GALLAGHER	ERICA	392.30	JASINSKI	9,775.64	LEE	JUSTIN	64,223.57
GAROL	MINA	48,283.68	JENKINS	53,051.50	LEE	SHARON	63,181.88
GEARY	JOHN	66,222.20	JENKINS	727.30	LEEDS	ELLERY	32.50
GERMAINE	TREVOR	8,202.09	JOHNSON	64,378.95	LEFEBVRE	C. MICHAEL	5,119.50
GIARD	CHRISTOPHER	38,750.01	JOHNSON	83,585.78	LEFEBVRE	KATHRYN	2,332.50
GIARD	TRAVIS	4,173.58	JOHNSON	39,876.85	LEMIEUX	SUSAN	55,901.00
GILBERT	BENJAMIN	2,429.95	JONES	1,785.00	LEMNAH	FRANCINE	52,732.90
GINGRAS	THOMAS	150.00	JUDD	713.70	LESSARD	CATHERINE	16,757.24
GLLOYD	KELSEY	421.20	KANFER	63,262.88	LEVINE	ASHLEY	44,851.20
GODDARD	OLIVIA	17,791.20	KAY	32,205.86	LEWANDOWSKI	MEREDITH	193.70
GODIN	REGINALD	1,920.00	KEBLIN	31,312.24	LEWIS	KIMBERLY	4,400.00
GOODRICH	ERICA	64,421.25	KELLY-LARSON	65,923.50	LITTLEFIELD	LAURIE	358.00
GOODWIN	SCOTT	689.44	KEMP	54,971.80	LOCKE	DANIELLE	1,487.15
GORCZYK	JASON	60,894.30	KENT	27,307.71	LOMBARD	KRISTI	54,400.10
GORDON	DREW	54,380.55	KINAMAN	28,924.10	LOMGLEY	SARAH	4,120.50
GORDON	MADGE	26,301.13	KING	62,714.93	LOOMIS	MICHAEL	11,331.10
GORTON	KENDRA	62,803.50	KING	79,460.48	LOWELL	DUANE	31,410.54
GOULD	PETER	950.00	KING	70,463.20	LYNCH	JANET	51,989.40
GOYET	MEGAN	52,288.18	KITTELL	44,243.10	LYNCH	STEPHEN	20,926.50

MILTON TOWN SCHOOL DISTRICT PAYROLL

CALENDAR YEAR 2012 GROSS WAGES

Amounts listed include regular wages and compensation for extra duty

LYNCH	TIMOTHY	41,208.60	* NAUGHTON	875.00	REYNOLDS	LINDSEY	48,534.40	*
LYNDE	DEBRA	72,233.20	* NELSON	384.65	REYNOLDS	NANCY	16,959.26	
LYONS	WILLIAM	1,980.00	* NEVERETT	74,503.04	REYNOLDS	SHERI	45,464.20	
MACBETH	AMY	51,688.10	* NEWBERRY	53,438.30	RIES	MATTHEW	654.15	
MAIETTA	RALPH	10,511.69	* NICHOLS	19,364.97	RIGO	NICOLE	97.50	
MALCOLM	JOY	44,468.16	* NIELSEN	260.00	RINGER	KATI	21,821.80	
MALINOWSKI	MICHAEL	30,090.51	** NOLAN-WATKIN	258.70	RISLEY	LAUREN	1,393.60	
MANGAN	CAROL	39,875.10	* O'BRIEN	26,260.88	ROBERTS	ALAN	35,746.49	
MANLEY	JAMES	963.06	* O'CONNOR	40,483.53	ROBITAILLE	ELIZABETH	1,040.00	
MANLEY	LYNNE	65,084.72	* O'GRADY	70,152.60	ROOF	JOSHUA	54,663.48	*
MANSSELL	CHRISTINA	4,654.45	* OLSEN	21,288.72	ROOT	JACQUELYN	14,108.29	
MARABELLA	NICOLE	55,021.70	** OREST	4,535.00	ROSACKER	ANDREW	51,755.40	
MARIER	LISA	184.40	* OSMAN	56,021.30	ROSENBERGER	JACQUELINE	9,274.39	
MARINELLI	STEVEN	70,432.87	* PAC	390.00	ROWE	BONNIE	47,044.80	
MARQUIS	AMY	65.00	* PALERMO	4,266.50	RUHL	JUANITA	9,998.97	
MARSH	REBECCA	59,346.05	* PALMER	33,849.05	RUSH	JAMES	295.00	
MARTEL	NICOLE	18,230.80	* PARADISE	69,755.45	SASSIN	MICHAEL	3,411.04	**
MASSE	RHONDA	26,213.73	* PATRY	8,898.56	SAUVE	CHAD	5,164.60	
MATEY	JESSICA	130.00	* PAYSON	65,011.80	SAVERY	WENDY	95,542.21	
MAURER	BETH	48,404.63	* PELKEY-MENARD	3,357.30	SAVO	MELANIE	32,379.10	*
MAYO	MEGAN	1,754.50	* PENTENRIEDER	22,934.96	SAVOY	CRAIG	1,105.10	
MAZZA	JENNIFER	15,279.18	* PENTENRIEDER	26,644.45	SAVOY	JOANN	18,745.89	
MAZZA	TERRY	43,929.57	* PETERSON	672.75	SCHIEDT	MATTIE JEAN	76,031.42	
MCDERMOTT	OWEN	56,758.30	* PFUFF	26,193.62	SCHMID	CHRISTOPHER	40,932.10	*
MCGRATH	HEATHER C.D.	40,091.30	* PHELPS	857.00	SCHMOLL	KRISTINA	16,579.66	
MCLANE	MELODIE	29,631.11	** PHILLIPS	52,732.90	SCHOEMBS	KRISTINE	62,186.39	*
MCQUADE	SETH	3,000.50	* PHILLIPS	20,148.83	SCOTT	JACOB	825.00	
MCRAE	BRUCE	620.00	* PHILLIPS	2,905.70	SCOTT	JOANNA	38,415.75	**
MCRAE	GISELE	73,791.20	* PIERCE	50,166.20	SCOTT	JOANNE	295.00	
MCSWEENEY	CONNIE	15,390.74	* PIXLER	37,596.56	SCOTT	WILLIAM	65.00	
MEARS	PHILIP	50,594.70	* PLANTE	162.50	SCOTT	ADAMS	220.50	
MEGIVERN	PATRICIA	66,542.26	* PREISS	16,600.48	SEWELL	KERRY	102,107.56	
MEIGS	SARA	40,311.10	* PREMSAGAR	46,126.40	SHEA	JILL	14,115.00	
MELTON	TERRY	1,942.35	* PROVOST	238.20	SHEESLEY	ANDREA	2,100.80	
MENARD	MICHAEL	72,226.20	* PUENTEDURA	2,500.00	SHORAM	CASSANDRA	9,188.05	
MESTER	NICOLE	14,643.50	* QUINN	76,520.60	SHORT	MARIA	56,811.08	
METHOT-WALKER	JAYNE	3,097.50	* RABIDEAU	61,758.50	SILVERMAN	DANIEL	22,900.00	
METIVIER	KATHRYN	62,522.50	* RAMPULLA	55,922.70	SIMMONS	RICHARD	37,074.50	
MIEDER	BARBARA	14,566.00	* RANDALL	1,714.00	SLAYTON	HEIDI	3,455.00	*
MILLER	RACHEL	897.00	* RANKIN	292.50	SLEEMAN	CRAIG	2,570.00	*
MITCHELL	CHRIS	2,078.00	* RANSOM	55,394.90	SMITH	ASHLYN	24,250.33	*
MOCK	CHRISTIAN	58,598.20	* RANSOM	73,104.51	SMITH	BARRETT	450.00	
MOMANEY	SALLY	3,180.32	** READ	906.90	SMITH	JANET	51,732.90	
MOMTAGE	KATHY	72,106.20	* REARDON	61,855.20	SMITH	JOSEPH	64,239.65	*
MORRILL	GREGORY	189.30	* RECKORD	36,497.78	SMITH	LYALL	35,506.80	
MORRIS	BRANDIE	2,878.03	* RECTOR	56,379.00	SMITH	MEGAN	52,136.30	*
MULLINS	MICHAEL	65.00	* REED	70,212.40	SOLOMON	JOSEPH	47,692.73	
MURDOCK	CYNTHIA	52,747.70	* REID	11,484.16	SORDICK	EILEEN	33,694.54	
MURPHY	KYLE	260.00	* REIDER	45,964.20	SORDIFF	WAYNE	3,506.95	
MURPHY	RUTH	62,506.00	* REIL	46,756.90	SPRENGER	LEZLEE	1,445.00	
MURRAY	BRADEN	2,409.50	* REINHARDT	18,634.06	ST. AMAND	PATRICIA	22,778.58	
MURTAGH	NORA	61,762.70	* REMILLARD	9,589.00	STEVENS	NICHOLE	58,429.80	*
MYERS	PAMELA	9,072.74		3,616.20	STINSON	MARY	89,570.87	

MILTON TOWN SCHOOL DISTRICT PAYROLL
CALENDAR YEAR 2012 GROSS WAGES

Amounts listed include regular wages and compensation for extra duty	
STONE	23,039.77 **
STOUT	65,672.50 *
STOUT	1,995.00
STOWELL	4,479.18
STUMPF	9,676.37 **
SULLIVAN	455.00
SWEENEY	25,080.51 *
SWEENEY	595.35
SYLVAIN	55,701.81 **
TALBOT	55,218.10 *
TALLEY	64,699.42 ***
TATKO	41,647.60 *
TAYLOR	55,938.50
TAYLOR	280.00
TEFTS	1,045.07
TERRY	28,114.25
TESLER	260.00
TERRIAULT	29,993.05
THIBAUT	55,694.00
THIBAUT-COTE	61,047.30 *
THOMPSON	29,103.58
THOMPSON	74,103.69
TOKAT	357.50
TOWNE	1,523.00 *
TOWNE	280.00
TRACY	15,305.97
TRUDELL	21,038.36
TURMEL	18,123.35
TURNER	2,491.10
VADNAIS	262.50
VALLANCOURT	73,650.60 *
VALYOU	23,552.49 *
VALYOU	3,487.88
VANGEMERT	23,688.80 **
VANSCOY	1,772.65
VANYUSH	54,648.70
VARISANO	26,276.55
VARLEY	260.00
VARSAKOPOULOS	780.00
VENEY	150.00
VERA	1,100.00
VESTRAND	196.00
WADLINGTON	63,514.05
WAGAR	47,378.85 *
WALKER	8,550.14
WARREN	3,298.00 *
WEADOCK	7,070.08
WEAVER	1,537.50
WELLS	40,944.45
WENTWORTH	61,016.00
WEXELBLATT	285.00
WHEELER	37,089.36
WHITCOMB	15,528.05
PRISCILLA	73,958.10
CATHERINE	6,114.65
DOUGLAS	29,609.09
NORMA	28,980.65
JESSICA	11,108.29
MAC	51,874.30
BRENDA	49,172.00
LOGAN	1,339.45
LORRAINE	8,831.70
LAUREN	8,617.73
JULIE	48,130.40 *
KARYN	8,487.65
LAURA	
RICHARD	
SIMONE	
LONNIE	
JORDANA	
KATHLEEN	
RUBY	
M. CATHERINE	
KAREN	
SCOTT	
KAREN	
BRENTON	
ROSANNE	
NANCY	
LINDA	
CYNTHIA	
LAURA	
CATHARINE	
KAREN	
HEATHER	
SARAH	
STACY	
PATRICIA	
MARK	
SAYBRA	
LYNN	
ANDREAS	
TAIWAN	
LYNN	
CHRISTIE	
FRED	
TREVOR	
MELINA	
JENNA	
GRACE	
MOLLY	
NORMA	
CHERYL	
CHELYL	
EILEEN O'REGAN	
ROBERT	
WHITE	
WHITNEY	
WILLEY	
WILLIAMS	
DONNA	
LORETTE	
RALPH	
WOODEN	
WOODS-BRISSON	
ROBIN	
WOODWELL	
ROGER	
PATRICIA	
ELIZABETH	
PETER	
WUENSCH	
WYNDORF	
YOUNG	
MELINDA	

* Includes compensation for extra duty contracts
 ** Paid with Grant Funds
 *** Paid with Grant Funds and extra duty contracts

MILTON TOWN SCHOOL DISTRICT

*****WARNING*****

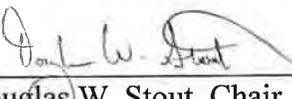
ANNUAL MEETING

The legal voters of the Milton Town School District are hereby notified and warned that there will be a Public Hearing at the Milton High School Auditorium, Milton, Vermont on Monday, March 4, 2013 at 6:00 p.m. to discuss the following Australian Ballot items pursuant to Section 806 A/B of the Town of Milton Charter; that a Special Meeting of the Milton Town School District will be held on Tuesday, March 5, 2013, said voting by Australian Ballot at the Milton Town Municipal Complex, beginning at 7:00 a.m. and to close at 7:00 p.m.

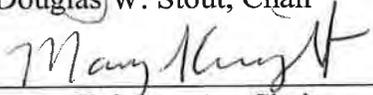
Article 1: Shall the voters of Milton Town School District appropriate twenty six million, seventy one thousand, seven hundred twenty three dollars (\$26,071,723), necessary for the support of the schools for the year beginning July 1, 2013, of which appropriation one million, two hundred sixty two thousand, six hundred thirty nine dollars (\$1,262,639) shall be funded by grants-in-aid and twenty four million, eight hundred nine thousand, eighty four dollars (\$24,809,084) shall be raised by taxation and other local revenue sources?

Article 2: Shall the voters of Milton Town School District allocate four hundred thirty five thousand, four hundred fifty six dollars (\$435,456) through short-term borrowing (3-year principal payback term) to reimburse the General Fund for FY2012 deficit spending?

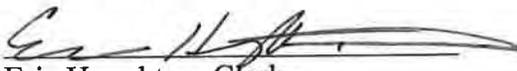
Article 3: Shall the bonds of the Milton Town School District of Milton, Vermont be issued in an amount not to exceed nine million seven hundred seventy thousand dollars (\$9,770,000) for the purpose of necessary capital building improvements to the Milton High School, viz: High School Cafeteria renovations (estimated cost \$3,520,000), High School Locker Room reconstruction (estimated cost \$5,100,000) and Whole Building Improvements inclusive of Mold Remediation, Fire Suppression Sprinkler System, and necessary upgraded Mechanical Controls (estimated cost \$1,150,000)? **State funds may not be available at the time this project is otherwise eligible to receive state school construction aid. The district is responsible for all costs incurred in connection with any borrowing done in anticipation of state school construction aid.**



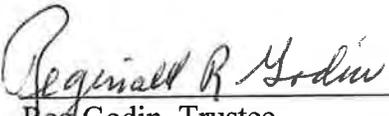
Douglas W. Stout, Chair



Mary Knight, Vice Chair



Eric Houghton, Clerk



Reg Godin, Trustee

James Lyons, Trustee

REIMBURSEMENT RESOLUTION

Pursuant to 26 CRF § 1.150-2(d), the Board of School Trustees of Milton Town School District hereby declares its official intent to expend all proceeds of the District's \$9,770,000 general obligation bonds for which authorization will be sought by vote of the District on March 5, 2013. A portion of said funding will reimburse the general funds of the District for sums previously advanced for the study, analysis, design, acquisition and approval of the school building improvements for which said bonds are to be issued and sold.

Approved and adopted at a regular meeting of the Board of School Trustees of Milton Town School District held on January 28, 2013. Recorded in the records of Milton Town School District on the 29th day of January, 2013.

Dated: January 28, 2013

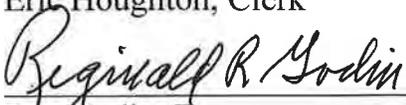
MTSD Board of Trustees:



Douglas Stout, Chair



Mary Knight, Vice Chair

Eric Houghton, Clerk


Reg Godin, Trustee

W. James Lyons, Trustee

RESOLUTION CERTIFICATE

I certify that I am the duly elected and qualified Clerk of the Milton Town School District, a municipal corporation located in the County of Chittenden, State of Vermont; that I have custody of the books, records and seal of said District; and that the following is a true and exact copy of a resolution adopted at a regular meeting of the Board of School Trustees of the District, duly called, noticed and held on January 28, 2013, at which a quorum of members was present and voting; and that the same remains in full force and effect, and has not been amended, rescinded, abridged, modified, or contested in any way:

"RESOLVED, that the public interest and necessity demand that certain public school building improvements be made, viz: High School Cafeteria renovations (estimated cost \$3,520,000), High School Locker Room reconstruction (estimated cost \$5,100,000) and Whole Building Improvements inclusive of Mold Remediation, Fire Suppression Sprinkler System, and necessary upgraded Mechanical Controls (estimated cost \$1,150,000); and

"BE IT FURTHER RESOLVED, that the cost of completing said public improvements, after application of funds available from the United States of America and/or the State of Vermont, and public and private sources of funding will be too great to be paid out of the ordinary income and revenue of the District; and

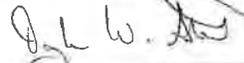
"BE IT FURTHER RESOLVED, that a proposal for providing such improvements and the issuance of general obligation bonds of the District in an aggregate amount not to exceed Nine Million Seven Hundred Seventy Thousand Dollars (\$9,770,000) to pay for its cost of the same, subject to reduction from available grants-in-aid, should be submitted to the legal voters of the District at a special meeting thereof to be duly called and held on March 5, 2013; and

"BE IT FURTHER RESOLVED, that all acts relating to the proposition of incurring bonded indebtedness and the issuance of general obligation bonds of the District for the purpose of financing such improvements, as well as the construction, maintenance and operation of such improvements within the corporate limits of the District, be in accordance with the provisions of Chapter 9 of Title 16, and Chapter 53 of Title 24, Vermont Statutes Annotated; and

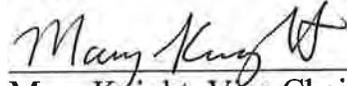
"BE IT FURTHER RESOLVED, that the attached Warning and form of Ballot be adopted for use in connection with consideration of the above stated proposition of incurring bonded indebtedness."

Dated: January 28, 2013

MTSD Board of Trustees:

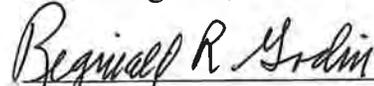


Douglas Stout, Chair



Mary Knight, Vice Chair

Eric Houghton, Clerk



Reg Godin, Trustee

W. James Lyons, Trustee

Received for record and recorded this 29th day of January, 2013 in the records of the Milton Town School District.

John P. Cushing, Clerk of the District

2012 REPORT OF THE BOARD OF SCHOOL TRUSTEES

The Milton Town School District (MTSD) ended FY12 with a net general fund deficit of \$435,456. This resulted from over-expenditures in the areas of building maintenance, professional services and vocational/technical education, and unplanned expenses for Section 504, homeless and out-placed students. The issue was further compounded by large shortfalls in expected special education reimbursements. The School Trustees will be requesting voter approval to retire this deficit over the next three years. Meanwhile, changes in financial reporting and controls have been implemented to better manage FY13 expenditures and cash flow.

Our 2011 report noted the completion of major renovations to science labs and bathrooms at Milton High School (MHS), and that bonding would be required to fund any further significant improvements to school facilities. Such bonding was not requested in 2012, so MTSD projects were largely limited to necessary building maintenance at MHS and MEMS. Approximately \$965,000 was invested in electrical work, flooring replacement and repairs, heating/ventilation work, painting, fire alarm and suppression systems, roof repairs and drainage, asbestos abatement, sidewalks and grounds work, and building security. The School Trustees will be requesting voter approval to bond for major renovations to the MHS cafeteria and locker rooms.

The District implemented a new middle school model for the 2012-2013 school year, after a careful study of such a reconfiguration in 2011-2012. Grades seven and eight classrooms were moved from the MHS building to the second floor of the MES building and joined by grade six to form a true grade six through eight middle school. Barbara Burrington joined MTSD as Principal of the three, multi-grade middle school houses.

Vermont will join 44 other states in implementing Common Core State Standards for K-12 English language arts and math, starting with the 2013-2014 school year. The standards are designed to ensure that students graduating from high school are uniformly college and career ready. Both MEMS and MHS have been busy preparing for this transition, developing standards scope and sequence and curriculum. Kindergarten and first grade are piloting the standards during 2012-2013, in preparation for assessments to be first done in 2014-2015.

MHS has been proceeding through the process to continue its accreditation in the New England Association of Secondary Schools and Colleges (NEASC) this past year. The accreditation is critical to MHS students who wish to attend college, so we are pleased it was granted 10/2012. The full report may be found at <http://www.mtsd-vt.org/MHS/Documents/MHS-NEASC-Report-August-Final-2012.pdf>

While this report cannot begin to cover the accomplishments of Milton students and staff, they are both numerous and varied. We are pleased with the progress being made by Milton's schools and students, and hope you are as well. As always, we invite you to get involved and thank you for your continued support.

Milton Board of School Trustees

Douglas Stout, Chairman
Eric Houghton, Clerk
Jim Lyons
Ryan Nichols, Student Rep.

Mary Knight, Vice Chairman
Reginald Godin
Sydney Trombly, Student Rep.

2012 SUPERINTENDENT'S REPORT

Mission Statement

Milton Town School District, a student-centered, equitable, learning community, will strive to maximize available resources through unified, collaborative leadership, and focus on continuous improvement in the area of student achievement, while promoting a safe and respectful learning environment for all.

As we began the 2012-2013 school year, we welcomed a new member to the administrative team: Barbara Burrington. Ms. Burrington joined us as the new principal for the middle school. Formerly, the principal at the Alburg Community School, Ms. Burrington brings to our team a strong commitment to middle level education, adolescent development, curriculum, instruction, and school improvement. As a result of a year-long reconfiguration study, we also opened the doors to a new middle school model this year. During the summer months, we moved the seventh and eighth grade classrooms from the Rebecca Lander's building onto the second floor of the Herrick Avenue building, thus creating a true middle school comprised of grades six, seven and eight. The current middle school model is three multi grade houses; each with students in all three grades, core subject area teachers, consulting (Special Education) teachers and Unified Arts teachers. The result is that the Herrick Avenue building is now the largest Pre-Kindergarten through eighth grade school (student population) in the state of Vermont.

The improvement of student learning and achievement is an ongoing focus of the Milton Town School District. The leadership team is committed to all students making educational progress. Through a comprehensive review of student performance on the NECAP Assessment and on local assessments, we continue to implement the district strategic action plan that focuses on seven performance goals each of which are supported with action steps. The target goals driving our work for continual student improvement are:

- Target Goal 1 – Improve student performance in Literacy.
- Target Goal 2 – Improve student performance in Mathematics
- Target Goal 3 – Improve student performance in Science
- Target Goal 4 – The use of technology to improve student academic achievement
- Target Goal 5 – Improve school climate, school & community relations and improve overall communication
- Target Goal 6 – Continual improvement of teacher, para-educator, and administrative quality
- Target Goal 7 – Improve the overall physical and emotional wellness of the students and adults in the Milton Town School District

Under the leadership of Dr. Kerry Sewell, the Director of Curriculum and Instruction, work continues on the implementation of the new Common Core Standards for Reading, Writing, and Mathematics. The new Common Core Standards represent an initiative through the National Governors' Association, the Higher Education Collaborative, and the United States Department of Education to outline national standards in the areas of reading, writing, and mathematics. 44 of the 50 US states have fully signed on to be part of this new initiative. In addition, several states will be part of a new assessment, the SMARTER Balance Assessment, which will assess students' mastery of these new standards. The SMARTER Balance Assessment is scheduled for its pilot administration in February of 2013.

Under the leadership of Mr. Tim Dunn, Director of Student Services, we have continued to expand our emphasis and use of co-teaching in the elementary, middle and high school grades. Under this initiative, regular and special educators co-plan and co-teach various classes serving the needs of all students in the regular classroom.

The elementary school is in its fourth year of implementation of PBiS (Positive Behavior Intervention Support). PBiS is a system-wide approach to enhancing the social, emotional, and behavioral development of all students. Mrs. Mattie Scheidt, the Dean of Students and her Behavioral Team, continue to work with the administration, teachers, and students to focus on student behavior and discipline. Additionally, the elementary school has been working, in collaboration with Judi Maynard, a Vermont Department of Education School Improvement Coach, to systemically review all systems and programs in the development of a Corrective Action/School Action Plan.

Our middle school teachers have implemented a new standards based reporting system. This emphasis of reporting on students' progress on meeting the Common Core Standards in each of their core classes provides parents and students with on-going feedback on how students are progressing. This year the middle school piloted the use of student-lead conferences in each of the academic houses, where students lead the conversations with their parents/guardians and teachers regarding their progress on meeting the new Common Core Standards.

At the high school, we are continuing with the implementation of technology and have added a fourth grade to our one-to-one netbook initiative. This year students in all four grades use netbooks to access on-line resources to enhance their learning. Additionally, the high school completed their accreditation visit. Every ten years, high schools across New England participate in a NEASC (New England Association of Secondary Schools and Colleges') accreditation. Prior to the actual visit, Milton High School had been involved in a self study in preparation for a visit by an accreditation team which took place in late April and early May of 2012. The team spent four days visiting classes, interviewing students, parents, teachers and administration as well as looking at systems and programs in place. At the end of their visit the team complete a detailed report outlining areas of strength and areas of growth/improvement. The text of this report is available for your review on the high school's web site and on the school district's web site.

We continue to be proud of the faculty, staff, and students of the Milton Town School District. Our students continue to achieve high standards in academics and co-curricular programs. Our faculty and staff continue to improve their practices in order to improve overall student learning.

As we all know these are difficult economic times for individuals and for our state. The Leadership Team has been working collaboratively and diligently to propose an FY 14 budget that meets the needs of our students, allows us to continue to offer a variety of programs and services to our students and is fiscally responsible to you, the voters of the Town of Milton. Thank you for your continued support of our students, our staff, our schools, and of the greater Milton community.

Respectfully,
John L. Barone, Sr., Ed.D.
Superintendent of Schools

Milton Town School District Revenue Comparison

Program	Description	FY12 Budget	FY13 Budget	FY14 Budget
General Instruction				
100-100-0-00-51170-300.00	Impact Fees	75,286	75,286	75,286
100-100-0-00-51320-300.00	High School Tuition	59,000	59,000	90,629
100-100-0-00-51500-300.00	Interest on Investments	74,413	66,522	46,000
100-100-0-00-51710-300.00	Extra Curricular Gate Receipts	10,000	10,000	-
100-100-0-00-51910-300.00	Facility Rental	10,000	10,000	-
100-100-0-00-53150-300.00	State Aid for Transportation	153,748	153,748	130,686
100-100-0-00-53282-300.00	Driver Education	6,100	6,100	6,100
100-100-0-00-53110-300.00	Due From Education Fund	18,927,233	19,822,542	20,928,535
100-100-0-00-53114-300.00	Due From State Tech Ed Fund	473,631	481,522	539,112
Total General Instruction		19,789,410	20,684,720	21,816,348
Special Education				
100-200-0-00-53201-300.00	FY13 Mainstream Block Grant	602,557	587,236	583,051
100-200-0-00-53202-300.00	Expenditure Reimbursement	1,807,683	1,846,703	2,154,982
100-200-0-00-53203-300.00	Extraordinary Reimbursement	176,040	12,000	103,487
	State Placed Student Reimb	102,125	-	-
Total Special Education		2,688,405	2,445,939	2,841,520
EEE Program				
100-204-0-00-53204-300.00	Block Grant	120,952	120,952	115,834
Total EEE		120,952	120,952	115,834
Vocational				
100-100-0-00-53208-300.00	Transportation Reimb.	35,382	35,382	35,382
Total Transportation Reimb.		35,382	35,382	35,382
TOTAL GENERAL FUND		22,634,149	23,286,993	24,809,084

District: **Milton**
County: **Chittenden**

T126
Milton

Enter your choice for FY14 base education amount. See note at bottom of page.

Enter your choice for estimated homestead base rate for FY2014. See note at bottom of page.

8,915 **0.92**

Expenditures

		FY2011	FY2012	FY2013	FY2014	
1.	Budget (local budget, including special programs, full technical center expenditures, and any Act 144 expenditures)	\$22,768,635	\$22,634,149	\$23,286,993	\$24,809,084	1.
2.	<i>plus</i> Sum of separately warned articles passed at town meeting	-	-	-	-	2.
3.	<i>minus</i> Act 144 Expenditures, to be excluded from Education Spending	-	-	-	-	3.
4.	Act 68 locally adopted or warned budget	\$22,768,635	\$22,634,149	\$23,286,993	\$24,809,084	4.
5.	<i>plus</i> Obligation to a Regional Technical Center School District if any	-	-	-	-	5.
6.	<i>plus</i> Prior year deficit reduction if not included in expenditure budget	-	-	-	-	6.
7.	Gross Act 68 Budget	\$22,768,635	\$22,634,149	\$23,286,993	\$24,809,084	7.
8.	S.U. assessment (included in local budget) - Informational data	-	-	-	-	8.
9.	Prior year deficit reduction (if included in expenditure budget) - Informational data	-	-	-	\$145,152	9.

Revenues

10.	Local revenues (categorical grants, donations, tuitions, surplus, etc., including local Act 144 tax revenues)	\$3,049,205	\$3,233,285	\$2,982,929	\$3,880,549	10.
11.	<i>plus</i> Capital debt aid for eligible projects pre-existing Act 60	-	-	-	-	11.
12.	<i>plus</i> Prior year deficit reduction if included in revenues (negative revenue instead of expenditures)	-	-	NA	NA	12.
13.	<i>minus</i> All Act 144 revenues, including local Act 144 tax revenues	-	-	-	-	13.
14.	Total local revenues	\$3,049,205	\$3,233,285	\$2,982,929	\$3,880,549	14.
15.	Education Spending	\$19,719,330	\$19,400,864	\$20,304,064	\$20,928,535	15.
16.	Equalized Pupils (Act 130 count is by school district)	1,794.32	1,733.92	1,701.47	1,681.99	16.

		\$10,989.86	\$11,189.02	\$11,933.25	\$12,592	
17.	Education Spending per Equalized Pupil					17.
18.	<i>minus</i> Less ALL net eligible construction costs (or P&I) per equalized pupil	\$453.00	\$455.58	\$449.00		18.
19.	<i>minus</i> Less share of SpEd costs in excess of \$50,000 for an individual	\$3.06	\$3.89	\$8.94		19.
20.	<i>minus</i> Less amount of deficit if deficit is SOLELY attributable to tuitions paid to public schools for grades the district does not operate for new students who moved to the district after the budget was passed	-	-	-		20.
21.	<i>minus</i> Less SpEd costs if excess is solely attributable to new SpEd spending if district has 20 or fewer equalized pupils	-	-	-		21.
22.	<i>minus</i> Estimated costs of new students after census period	NA	-	-		22.
23.	<i>minus</i> Total tuitions if tuitioning ALL K-12 unless electorate has approved tuitions greater than average announced tuition	NA	NA	NA		23.
24.	<i>minus</i> Less planning costs for merger of small schools	-	-	-		24.
25.	<i>plus</i> Excess Spending per Equalized Pupil over threshold (if any)					25.
26.	Per pupil figure used for calculating District Adjustment	\$10,990	\$11,189	\$11,933	\$12,592	26.
27.	District spending adjustment (minimum of 100%) (\$12,592 / \$8,915)	128.627%	130.958%	138.802%	141.250%	27.

Prorating the local tax rate

28.	Anticipated district equalized homestead tax rate to be prorated (141.250% x \$0.920)	\$1.1062 <small>based on \$0.86</small>	\$1.1393 <small>based on \$0.87</small>	\$1.2175 <small>based on \$0.89</small>	\$1.2995 <small>based on \$0.920</small>	28.
29.	Percent of Milton equalized pupils not in a union school district	100.000%	100.000%	100.000%	100.00%	29.
30.	Portion of district eq homestead rate to be assessed by town (100.000% x \$1.30)	\$1.1062	\$1.1393	\$1.2175	\$1.2995	30.
31.	Common Level of Appraisal (CLA)	100.51%	102.83%	104.41%	106.30%	31.
32.	Portion of actual district homestead rate to be assessed by town (\$1.300 / 106.30%)	\$1.1006 <small>based on \$0.860</small>	\$1.1079 <small>based on \$0.87</small>	\$1.1661 <small>based on \$0.89</small>	\$1.2225 <small>based on \$0.92</small>	32.
33.	Anticipated Income cap percent to be prorated (141.250% x 1.80%)	2.32% <small>based on 1.80%</small>	2.36% <small>based on 1.80%</small>	2.46% <small>based on 1.80%</small>	2.54% <small>based on 1.80%</small>	33.
34.	Portion of district Income cap percent applied by State (100.000% x 2.54%)	2.32%	2.36%	2.46%	2.54%	34.
35.	Percent of equalized pupils at union 1	-	-	-	-	35.
36.		-	-	-	-	36.

-Following current statute, the base education amount would be \$9,151. That would require base education tax rates of \$0.94 and \$1.43. The tax commissioner has suggested allowing one year of inflation, resulting in a base amount of \$8,915 and base tax rates of \$0.92 and \$1.41. The administration also has stated that tax rates could remain flat at \$0.89 and \$1.38 if statewide education spending is level and the base education amount is set at \$8,915. Final figures will be set by the Legislature during the legislative session and approved by the Governor.
- The base income percentage cap is 1.80%.

Budget Comparative Information

			FY 2013		Proposed FY 2014
Improvement of Instruction (District-Wide)					
100-100-0-00-62210-110.00	Salaries	\$	105,418	\$	108,317
100-100-0-00-62210-119.00	Support Staff	\$	72,714	\$	69,654
100-100-0-00-62210-150.00	Supplemental Earnings	\$	20,000	\$	20,263
100-100-0-00-62210-210.00	Health	\$	40,899	\$	46,103
100-100-0-00-62210-220.00	FICA	\$	15,157	\$	15,165
100-100-0-00-62210-230.00	Life	\$	900	\$	946
100-100-0-00-62210-240.00	Retirement	\$	3,484	\$	3,606
100-100-0-00-62210-250.00	Workers Comp	\$	3,032	\$	3,032
100-100-0-00-62210-260.00	UCC	\$	348	\$	270
100-100-0-00-62210-280.00	Dental	\$	1,702	\$	1,875
100-100-0-00-62210-290.00	Flex	\$	183	\$	189
100-100-0-00-62210-320.00	Professional Svcs	\$	5,000	\$	5,000
100-100-0-00-62210-320.32	Professional Svcs I.T.	\$	2,000	\$	2,000
100-100-0-00-62210-320.33	VKAT	\$	8,600	\$	9,702
100-100-0-00-62210-430.32	Repairs & Maintenance I.T.	\$	4,326	\$	4,326
100-100-0-00-62210-430.42	Spare Parts	\$	750	\$	750
100-100-0-00-62210-550.33	Printing Data	\$	1,000	\$	1,000
100-100-0-00-62210-580.01	Mileage Registrar	\$	150	\$	150
100-100-0-00-62210-580.33	Mileage Data			\$	500
100-100-0-00-62210-581.01	Conferences Registrar	\$	300	\$	300
100-100-0-00-62210-581.32	Conferences I.T.	\$	600	\$	600
100-100-0-00-62210-581.33	Conferences Data			\$	300
100-100-0-00-62210-581.36	Conferences Staff Dev	\$	2,000	\$	-
100-100-0-00-62210-610.01	Supplies Registrar	\$	200	\$	200
100-100-0-00-62210-610.32	Supplies I.T.	\$	500	\$	500
100-100-0-00-62210-610.33	Supplies Data	\$	5,989	\$	5,989
100-100-0-00-62210-610.34	Supplies Curriculum	\$	1,000	\$	1,000
100-100-0-00-62210-610.36	Supplies Staff Dev	\$	3,000	\$	3,000
100-100-0-00-62210-640.33	Textbooks Data	\$	100	\$	100
100-100-0-00-62210-640.34	Textbooks Curriculum	\$	18,235	\$	15,235
100-100-0-00-62210-640.36	Textbooks Staff Dev	\$	400	\$	400
100-100-0-00-62210-670.32	Software I.T.	\$	2,000	\$	2,000
100-100-0-00-62210-670.33	Software Data	\$	5,222	\$	3,320
100-100-0-00-62210-670.34	Software Curriculum	\$	3,600	\$	3,600
100-100-0-00-62210-670.41	Student Management Systems	\$	8,500	\$	8,500
100-100-0-00-62210-730.01	Equipment R&M	\$	5,000	\$	5,000
100-100-0-00-62210-730.02	Projection Systems	\$	1,000	\$	1,000
100-100-0-00-62210-730.32	Equipment I.T.	\$	86,683	\$	86,683
100-100-0-00-62210-730.34	Equipment Curriculum	\$	23,400	\$	23,400
100-100-0-00-62210-810.33	Dues & Fees Data	\$	150	\$	150
100-100-0-00-62210-810.34	Dues & Fees Curriculum	\$	2,500	\$	2,500
100-100-0-00-62210-810.36	Dues & Fees Staff Dev	\$	500	\$	500
	Total Improvement of Instruction	\$	456,542	\$	457,125
TECHNOLOGY SUPPORT (District-Wide)					
100-100-0-00-62219-110.00	Salaries	\$	66,240	\$	68,653
100-100-0-00-62219-119.00	Support Staff	\$	141,754	\$	142,225
100-100-0-00-62219-190.00	Health Buyout	\$	-	\$	3,000
100-100-0-00-62219-210.00	Health	\$	63,967	\$	57,774
100-100-0-00-62219-220.00	FICA	\$	15,912	\$	16,132

Budget Comparative Information

		FY 2013	Proposed FY 2014
100-100-0-00-62219-230.00	Life	\$ 1,165	\$ 1,225
100-100-0-00-62219-240.00	Retirement	\$ 9,197	\$ 9,520
100-100-0-00-62219-250.00	Workers Comp	\$ 1,321	\$ 1,321
100-100-0-00-62219-260.00	UCC	\$ 348	\$ 360
100-100-0-00-62219-280.00	Dental	\$ 2,272	\$ 2,499
100-100-0-00-62219-290.00	Flex	\$ 244	\$ 252
100-100-0-00-62219-320.00	Professional Svcs	\$ 4,250	\$ 4,250
100-100-0-00-62219-430.00	Repairs & Maintenance	\$ 2,000	\$ 2,000
100-100-0-00-62219-531.00	Telephone	\$ 14,214	\$ 24,212
100-100-0-00-62219-531.01	Internet	\$ 15,573	\$ 15,573
100-100-0-00-62219-531.02	Cell Phone	\$ 14,708	\$ 7,660
100-100-0-00-62219-580.00	Mileage	\$ 300	\$ 300
100-100-0-00-62219-581.00	Conferences	\$ 6,000	\$ 6,000
100-100-0-00-62219-610.00	Supplies	\$ 500	\$ 500
100-100-0-00-62219-610.01	Toner	\$ 500	\$ 500
100-100-0-00-62219-670.00	Software Subscriptions	\$ 1,000	\$ 1,000
100-100-0-00-62219-670.01	Email & Comm. Software	\$ 2,500	\$ 2,500
100-100-0-00-62219-670.02	Security Software	\$ 750	\$ 750
100-100-0-00-62219-670.03	Management Software	\$ 9,000	\$ 9,000
100-100-0-00-62219-730.00	Equipment	\$ 3,306	\$ 3,306
100-100-0-00-62219-730.01	Servers & Infrastructure	\$ 15,000	\$ 15,000
100-100-0-00-62219-730.02	Work Stations	\$ 1,450	\$ 1,450
Total Technology Support		\$ 393,471	\$ 396,962
Board of School Trustees (District-Wide)			
100-100-0-00-62310-150.00	Supplemental Earnings	\$ 9,058	\$ 9,375
100-100-0-00-62310-220.00	FICA	\$ 693	\$ 717
100-100-0-00-62310-250.00	Workers Comp	\$ 118	\$ 118
100-100-0-00-62310-260.00	UCC	\$ 87	\$ 90
100-100-0-00-62310-320.00	Professional Svcs	\$ 5,000	\$ 5,000
100-100-0-00-62310-360.00	Legal Services	\$ 19,000	\$ 19,000
100-100-0-00-62310-370.00	Audit Services	\$ 26,500	\$ 27,825
100-100-0-00-62310-520.00	Fiduciary Liability Insurance	\$ 3,500	\$ 3,500
100-100-0-00-62310-540.00	Advertising	\$ 5,000	\$ 5,000
100-100-0-00-62310-550.00	Printing	\$ 1,800	\$ 1,800
100-100-0-00-62310-581.00	Conferences	\$ 450	\$ 450
100-100-0-00-62310-610.00	Supplies	\$ 650	\$ 650
100-100-0-00-62310-810.00	Dues & Fees	\$ 3,500	\$ 3,500
Total Board of School Trustees		\$ 75,356	\$ 77,025
SUPERINTENDENT'S OFFICE (District-Wide)			
100-100-0-00-62321-110.00	Salaries	\$ 154,822	\$ 159,430
100-100-0-00-62321-210.00	Health	\$ 32,501	\$ 36,632
100-100-0-00-62321-220.00	FICA	\$ 11,844	\$ 12,196
100-100-0-00-62321-230.00	Life	\$ 847	\$ 890
100-100-0-00-62321-240.00	Retirement	\$ 1,729	\$ 1,790
100-100-0-00-62321-250.00	Workers Comp	\$ 1,832	\$ 1,832
100-100-0-00-62321-260.00	UCC	\$ 174	\$ 180
100-100-0-00-62321-280.00	Dental	\$ 1,136	\$ 1,250
100-100-0-00-62321-290.00	Flex	\$ 122	\$ 126

Budget Comparative Information

		FY 2013	Proposed FY 2014
100-100-0-00-62321-320.00	Professional Svcs	\$ 1,400	\$ 1,400
100-100-0-00-62321-440.00	Leadership Prof Development	\$ 1,500	\$ 1,500
100-100-0-00-62321-530.00	Communications	\$ 2,000	\$ 2,000
100-100-0-00-62321-540.00	Advertising	\$ 2,500	\$ 2,500
100-100-0-00-62321-550.00	Printing	\$ 2,100	\$ 2,100
100-100-0-00-62321-580.00	Mileage	\$ 3,000	\$ 3,000
100-100-0-00-62321-581.00	Conferences	\$ 2,500	\$ 2,500
100-100-0-00-62321-610.00	Supplies	\$ 1,350	\$ 1,350
100-100-0-00-62321-610.02	Recognitions	\$ 500	\$ 500
100-100-0-00-62321-612.00	Copier Paper	\$ 5,500	\$ 5,500
100-100-0-00-62321-640.00	Textbooks	\$ 200	\$ 200
100-100-0-00-62321-730.00	Equipment	\$ 6,810	\$ 1,810
100-100-0-00-62321-810.00	Dues & Fees	\$ 5,000	\$ 5,000
Total Superintendent's Office		\$ 239,367	\$ 243,686
BUSINESS OFFICE (District-Wide)			
100-100-0-00-62520-110.00	Salaries	\$ 131,787	\$ 135,837
100-100-0-00-62520-210.00	Health	\$ 18,660	\$ 20,957
100-100-0-00-62520-220.00	FICA	\$ 10,082	\$ 10,392
100-100-0-00-62520-230.00	Life	\$ 847	\$ 890
100-100-0-00-62520-240.00	Retirement	\$ 5,484	\$ 5,677
100-100-0-00-62520-250.00	Workers Comp	\$ 1,319	\$ 1,319
100-100-0-00-62520-260.00	UCC	\$ 174	\$ 180
100-100-0-00-62520-280.00	Dental	\$ 1,136	\$ 1,250
100-100-0-00-62520-290.00	Flex	\$ 122	\$ 126
100-100-0-00-62520-320.00	Professional Svcs	\$ 157,070	\$ 164,927
100-100-0-00-62520-320.01	Website Maintenance		\$ 9,120
100-100-0-00-62520-440.00	Postage Machine Rental	\$ 2,900	\$ 2,900
100-100-0-00-62520-441.00	Copier	\$ 44,334	\$ 44,334
100-100-0-00-62520-442.00	Copier Service	\$ 39,200	\$ 40,376
100-100-0-00-62520-580.00	Mileage	\$ 1,000	\$ 1,000
100-100-0-00-62520-581.00	Conferences	\$ 1,000	\$ 1,000
100-100-0-00-62520-610.00	Supplies	\$ 2,500	\$ 2,500
100-100-0-00-62520-640.00	Textbooks	\$ 450	\$ 450
100-100-0-00-62520-670.00	AESOP	\$ 6,276	\$ 6,276
100-100-0-00-62520-730.00	Equipment	\$ 7,200	\$ 2,200
100-100-0-00-62520-810.00	Dues & Fees	\$ 700	\$ 700
Total Business Office		\$ 432,241	\$ 452,410
SECURITY (District-Wide)			
100-100-0-00-62601-320.00	Professional Svcs	\$ 1,000	\$ 1,000
100-100-0-00-62601-610.00	Supplies	\$ 4,000	\$ 4,000
100-100-0-00-62601-730.00	Equipment	\$ 3,000	\$ 3,000
Total Security		\$ 8,000	\$ 8,000
FOOD SERVICE MANAGER (District-Wide)			
100-100-0-00-63100-110.00	Salaries	\$ 68,828	\$ 71,279
100-100-0-00-63100-190.00	Health Buyout	\$ -	\$ 3,000
100-100-0-00-63100-210.00	Health	\$ 6,480	\$ -
100-100-0-00-63100-220.00	FICA	\$ 5,265	\$ 5,453

Budget Comparative Information

		FY 2013	Proposed FY 2014
100-100-0-00-63100-230.00	Life	\$ 389	\$ 408
100-100-0-00-63100-240.00	Retirement	\$ 2,109	\$ 2,183
100-100-0-00-63100-260.00	UCC	\$ 87	\$ 90
100-100-0-00-63100-280.00	Dental	\$ 568	\$ 625
100-100-0-00-63100-290.00	Flex	\$ 61	\$ 63
Total Food Service Manager		\$ 83,787	\$ 83,101
TUITION REIMBURSEMENT & MINI GRANTS (District-Wide)			
100-100-0-25-62210-270.00	K-8 Tuition Reimb	\$ 60,000	\$ 78,182
100-100-0-25-62210-295.00	K-8 Mini Grants	\$ 3,000	\$ 3,000
100-100-0-30-62210-270.00	9-12 Tuition Reimb	\$ 60,000	\$ 78,182
100-100-0-30-62210-295.00	9-12 Mini Grants	\$ 3,000	\$ 3,000
100-200-0-25-62210-270.00	K-8 Tuition Reimb	\$ 18,900	\$ 24,627
100-200-0-25-62210-295.00	K-8 Mini Grants	\$ 3,000	\$ 3,000
100-200-0-30-62210-270.00	9-12 Tuition Reimb	\$ 18,450	\$ 15,345
100-200-0-30-62210-295.00	9-12 Mini Grants	\$ 3,000	\$ 3,000
100-204-0-10-62210-270.00	EEE Tuition Reimb	\$ 8,675	\$ -
100-204-0-10-62210-295.00	EEE Mini Grants	\$ 3,000	\$ 3,000
Total Tuition Reimbursement & Mini Grants		\$ 181,025	\$ 211,336
TRANSPORTATION (District-Wide)			
100-100-0-25-62711-510.00	K-8 Transportation	\$ 297,325	\$ 299,745
100-100-0-30-62711-510.00	9-12 Transportation	\$ 195,834	\$ 197,324
100-200-0-25-62711-510.00	K-8 Transportation	\$ 114,356	\$ 115,287
100-200-0-30-62711-510.00	9-12 Transportation	\$ 145,530	\$ 186,333
100-204-0-10-62711-510.00	EEE Transportation	\$ 60,990	\$ 61,486
Total Transportation		\$ 814,035	\$ 860,175
DEBT SERVICE (District-Wide)			
100-100-0-10-65100-830.00	TAN Interest	\$ 108,000	\$ 125,000
100-100-0-10-65100-910.00	Deficit Note Principal		\$ 145,152
100-100-0-10-65100-910.04	Deficit Note Interest		\$ 13,064
100-100-0-10-65100-910.86	1997 SI Bond Principal	\$ 280,000	\$ 275,000
100-100-0-10-65100-830.86	1997 SI Bond Interest	\$ 77,339	\$ 62,779
100-100-0-10-65100-890.01	2007 SI Bond Principal	\$ 105,000	\$ 105,000
100-100-0-10-65100-890.02	2007 SI Bond Interest	\$ 73,650	\$ 69,308
100-100-0-30-65100-890.01	2007 SI Bond Principal	\$ 105,000	\$ 105,000
100-100-0-30-65100-890.02	2007 SI Bond Interest	\$ 73,650	\$ 69,308
100-100-0-30-65100-891.01	2009 SI Bond Principal	\$ 65,000	\$ 65,000
100-100-0-30-65100-891.02	2009 SI Bond Interest	\$ 44,639	\$ 43,338
100-100-0-30-65100-893.00	Municipal Lease 2009 3500HD	\$ 12,805	\$ -
100-100-0-30-65100-892.01	Performance Contract Principal	\$ 41,557	\$ 43,498
100-100-0-30-65100-892.02	Performance Contract Interest	\$ 10,653	\$ 8,713
100-100-0-30-65100-892.03	St Aid Anticipation Note Interest	\$ 47,052	\$ 32,372
Total Debt Service		\$ 1,044,345	\$ 1,162,532
K-2 General Instruction			
100-100-0-10-61100-110.00	Salaries	\$ 1,625,623	\$ 1,347,861
100-100-0-10-61100-110.01	FY12 CCI Buyout Yr 2 of 3	\$ 58,263	\$ 58,263

Budget Comparative Information

		FY 2013	Proposed FY 2014
100-100-0-10-61100-110.02	FY13 CCI Buyout Yr 1 of 3	\$ 37,768	\$ 37,768
100-100-0-10-61100-119.00	Support Staff	\$ 104,768	\$ 97,332
100-100-0-10-61100-120.00	Substitutes	\$ 36,250	\$ 37,338
100-100-0-10-61100-150.00	Supplemental Earnings	\$ 20,032	\$ 19,796
100-100-0-10-61100-190.00	Health Buyout	\$ 4,000	\$ 2,000
100-100-0-10-61100-210.00	Health	\$ 315,827	\$ 332,570
100-100-0-10-61100-220.00	FICA	\$ 144,333	\$ 122,427
100-100-0-10-61100-230.00	Life	\$ 3,233	\$ 2,672
100-100-0-10-61100-240.00	Retirement	\$ 5,036	\$ 4,540
100-100-0-10-61100-250.00	Workers Comp	\$ 12,193	\$ 12,193
100-100-0-10-61100-260.00	UCC	\$ 2,843	\$ 2,300
100-100-0-10-61100-280.00	Dental	\$ 18,177	\$ 15,620
100-100-0-10-61100-290.00	Flex	\$ 2,010	\$ 1,642
100-100-0-10-61100-430.12	R&M Performing Arts/Music	\$ 125	\$ 125
100-100-0-10-61100-510.00	Homeless Transportation	\$ -	\$ 7,500
100-100-0-10-61100-610.01	Supplies K-2	\$ 17,400	\$ 17,400
100-100-0-10-61100-610.03	Supplies Visual Arts	\$ 3,500	\$ 3,500
100-100-0-10-61100-610.04	Supplies Phys Ed	\$ 2,500	\$ 2,500
100-100-0-10-61100-610.05	Supplies Math	\$ 3,000	\$ 3,000
100-100-0-10-61100-612.00	Copier Paper	\$ 3,500	\$ 3,500
100-100-0-10-61100-640.00	Textbooks & Periodicals	\$ 22,502	\$ 22,502
100-100-0-10-61100-670.00	Software	\$ 1,000	\$ 1,000
100-100-0-10-61100-730.00	Equipment	\$ 3,865	\$ 3,865
Total K-2 General Instruction		\$ 2,447,747	\$ 2,159,214
K-2 504 SERVICES			
100-100-0-10-61154-320.00	Professional Services	\$ 26,726	\$ 26,726
Total K-2 504 Services		\$ 26,726	\$ 26,726
K-2 GUIDANCE			
100-100-0-10-62120-110.00	Salaries	\$ 73,860	\$ 76,076
100-100-0-10-62120-150.00	Supplemental Earnings	\$ 1,061	\$ 1,093
100-100-0-10-62120-210.00	Health	\$ 15,608	\$ 17,583
100-100-0-10-62120-220.00	FICA	\$ 5,731	\$ 5,903
100-100-0-10-62120-230.00	Life	\$ 106	\$ 111
100-100-0-10-62120-250.00	Workers Comp	\$ 1,298	\$ 1,298
100-100-0-10-62120-260.00	UCC	\$ 87	\$ 90
100-100-0-10-62120-280.00	Dental	\$ 568	\$ 625
100-100-0-10-62120-290.00	Flex	\$ 61	\$ 63
100-100-0-10-62120-320.00	Professional Services	\$ 500	\$ 500
100-100-0-10-62120-610.00	Supplies	\$ 1,125	\$ 1,125
100-100-0-10-62120-640.00	Textbooks	\$ 450	\$ 450
Total K-2 Guidance		\$ 100,455	\$ 104,917
ELEMENTARY PRINCIPAL'S OFFICE (K-2)			
100-100-0-10-62410-110.00	Salaries	\$ 98,640	\$ 101,353
100-100-0-10-62410-120.00	Temporary Coverage	\$ 3,185	\$ -
100-100-0-10-62410-210.00	Health	\$ 15,424	\$ 17,374
100-100-0-10-62410-220.00	FICA	\$ 7,790	\$ 7,754
100-100-0-10-62410-230.00	Life	\$ 477	\$ 501

Budget Comparative Information

		FY 2013		Proposed FY 2014
100-100-0-10-62410-250.00	Workers Comp	\$ 400	\$	400
100-100-0-10-62410-260.00	UCC	\$ 87	\$	90
100-100-0-10-62410-280.00	Dental	\$ 568	\$	625
100-100-0-10-62410-290.00	Flex	\$ 61	\$	63
100-100-0-10-62410-320.00	Professional Services	\$ 450	\$	450
100-100-0-10-62410-580.00	Mileage	\$ 90	\$	90
100-100-0-10-62410-610.00	Supplies	\$ 3,070	\$	3,855
100-100-0-10-62410-640.00	Texbooks	\$ 400	\$	400
100-100-0-10-62410-730.00	Equipment	\$ 405	\$	405
100-100-0-10-62410-810.00	Dues & Fees	\$ 315	\$	315
Total K-2 Principal's Office		\$ 131,362	\$	133,675

ELEMENTARY GENERAL INSTRUCTION (3-5)

100-100-0-15-61100-110.00	Salaries	\$ 941,197	\$	1,191,660
100-100-0-15-61100-119.00	Support Staff	\$ 115,941	\$	70,325
100-100-0-15-61100-120.00	Substitutes	\$ 36,250	\$	37,338
100-100-0-15-61100-150.00	Supplemental Earnings	\$ 20,032	\$	23,813
100-100-0-15-61100-190.00	Health Buyout	\$ 4,000	\$	6,000
100-100-0-15-61100-210.00	Health	\$ 256,529	\$	303,147
100-100-0-15-61100-220.00	FICA	\$ 85,483	\$	101,679
100-100-0-15-61100-230.00	Life	\$ 2,119	\$	2,449
100-100-0-15-61100-240.00	Retirement	\$ 4,756	\$	3,312
100-100-0-15-61100-250.00	Workers Comp	\$ 12,193	\$	12,193
100-100-0-15-61100-260.00	UCC	\$ 1,944	\$	2,116
100-100-0-15-61100-280.00	Dental	\$ 11,077	\$	13,746
100-100-0-15-61100-290.00	Flex	\$ 2,832	\$	1,483
100-100-0-15-61100-430.12	R&M Performing Arts/Music	\$ 125	\$	125
100-100-0-15-61100-510.00	Homeless Transportation	\$ -	\$	7,500
100-100-0-15-61100-610.01	Supplies 3-5	\$ 17,400	\$	17,400
100-100-0-15-61100-610.03	Supplies Visual Arts	\$ 3,500	\$	3,500
100-100-0-15-61100-610.04	Supplies Phys Ed	\$ 2,500	\$	2,500
100-100-0-15-61100-610.05	Supplies Math	\$ 3,000	\$	3,000
100-100-0-15-61100-612.00	Copier Paper	\$ 3,500	\$	3,500
100-100-0-15-61100-640.00	Texbooks	\$ 22,502	\$	22,502
100-100-0-15-61100-670.00	Software	\$ 1,000	\$	1,000
100-100-0-15-61100-730.00	Equipment	\$ 3,865	\$	3,865
Total 3-5 Instruction		\$ 1,551,744	\$	1,834,152

ELEMENTARY 504 SERVICES (3-5)

100-100-0-15-61154-320.00	Professional Services	\$ 4,000	\$	4,000
Total 3-5 504 Services		\$ 4,000	\$	4,000

ELEMENTARY GUIDANCE (3-5)

100-100-0-15-62120-110.00	Salaries	\$ 62,248	\$	63,749
100-100-0-15-62120-210.00	Health	\$ 15,608	\$	17,583
100-100-0-15-62120-220.00	FICA	\$ 4,762	\$	4,877
100-100-0-15-62120-230.00	Life	\$ 106	\$	111
100-100-0-15-62120-250.00	Workers Comp	\$ 1,297	\$	1,297
100-100-0-15-62120-260.00	UCC	\$ 87	\$	90
100-100-0-15-62120-280.00	Dental	\$ 568	\$	625

Budget Comparative Information

		FY 2013	Proposed FY 2014
100-100-0-15-62120-290.00	Flex	\$ 61	\$ 63
100-100-0-15-62120-320.00	Professional Services	\$ 500	\$ 500
100-100-0-15-62120-610.00	Supplies	\$ 1,125	\$ 1,125
100-100-0-15-62120-640.00	Textbooks	\$ 450	\$ 450
Total 3-5 Guidance		\$ 86,812	\$ 90,470
ELEMENTARY PRINCIPAL'S OFFICE (3-5)			
100-100-0-15-62410-110.00	Salaries	\$ 92,475	\$ 95,018
100-100-0-15-62410-210.00	Health	\$ 15,424	\$ 17,374
100-100-0-15-62410-220.00	FICA	\$ 7,074	\$ 7,269
100-100-0-15-62410-230.00	Life	\$ 477	\$ 501
100-100-0-15-62410-250.00	Workers Comp	\$ 400	\$ 400
100-100-0-15-62410-260.00	UCC	\$ 87	\$ 90
100-100-0-15-62410-280.00	Dental	\$ 568	\$ 625
100-100-0-15-62410-290.00	Flex	\$ 61	\$ 63
100-100-0-15-62410-320.00	Professional Services	\$ 450	\$ 450
100-100-0-15-62410-580.00	Mileage	\$ 90	\$ 90
100-100-0-15-62410-610.00	Supplies	\$ 3,070	\$ 3,855
100-100-0-15-62410-640.00	Textbooks	\$ 400	\$ 400
100-100-0-15-62410-730.00	Equipment	\$ 405	\$ 405
100-100-0-15-62410-810.00	Dues & Fees	\$ 315	\$ 315
Total 3-5 Principal's Office		\$ 121,296	\$ 126,855
ELEMENTARY HEALTH (K-5)			
100-100-0-20-62130-110.00	Salaries	\$ 50,826	\$ 57,645
100-100-0-20-62130-210.00	Health	\$ 5,922	\$ 17,583
100-100-0-20-62130-220.00	FICA	\$ 3,888	\$ 4,410
100-100-0-20-62130-230.00	Life	\$ 106	\$ 111
100-100-0-20-62130-250.00	WC	\$ 981	\$ 981
100-100-0-20-62130-260.00	UCC	\$ 87	\$ 90
100-100-0-20-62130-280.00	Dental	\$ 568	\$ 625
100-100-0-20-62130-290.00	Flex	\$ 61	\$ 63
100-100-0-20-62130-320.00	Professional Services	\$ 450	\$ 450
100-100-0-20-62130-580.00	Mileage	\$ 90	\$ 90
100-100-0-20-62130-610.00	Supplies	\$ 3,070	\$ 3,070
100-100-0-20-62130-640.00	Textbooks	\$ 400	\$ 400
100-100-0-20-62130-730.00	Equipment	\$ 405	\$ 405
100-100-0-20-62130-810.00	Dues & Fees	\$ 315	\$ 315
Total Elementary Health		\$ 67,169	\$ 86,238
Dean of Students (K-5)			
100-100-0-20-62410-110.00	Salaries	\$ 77,063	\$ 79,182
100-100-0-20-62410-210.00	Health	\$ 15,424	\$ 17,374
100-100-0-20-62410-220.00	FICA	\$ 5,895	\$ 6,057
100-100-0-20-62410-230.00	Life	\$ 477	\$ 501
100-100-0-20-62410-250.00	Workers Comp	\$ 400	\$ 400
100-100-0-20-62410-260.00	UCC	\$ 87	\$ 90
100-100-0-20-62410-280.00	Dental	\$ 568	\$ 625
100-100-0-20-62410-290.00	Flex	\$ 61	\$ 63
100-100-0-20-62410-320.00	Professional Services	\$ 450	\$ 450

Budget Comparative Information

		FY 2013	Proposed FY 2014
100-100-0-20-62410-580.00	Mileage	\$ 90	\$ 90
100-100-0-20-62410-610.00	Supplies	\$ 3,070	\$ 1,500
100-100-0-20-62410-640.00	Texbooks	\$ 400	\$ 400
100-100-0-20-62410-730.00	Equipment	\$ 405	\$ 405
100-100-0-20-62410-810.00	Dues & Fees	\$ 315	\$ 315
Total Dean of Students Office K-5		\$ 104,705	\$ 107,452
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ELEMENTARY LIBRARY (K-8)			
100-100-0-25-62222-110.00	Salaries	\$ 140,106	\$ 147,652
100-100-0-25-62222-119.00	Support Staff	\$ 15,071	\$ 15,625
100-100-0-25-62222-190.00	Health Buyout	\$ 1,500	\$ 1,500
100-100-0-25-62222-210.00	Health	\$ 27,249	\$ 19,788
100-100-0-25-62222-220.00	FICA	\$ 11,986	\$ 12,605
100-100-0-25-62222-230.00	Life	\$ 265	\$ 279
100-100-0-25-62222-240.00	Retirement	\$ 622	\$ 644
100-100-0-25-62222-250.00	Workers Comp	\$ 1,618	\$ 1,618
100-100-0-25-62222-260.00	UCC	\$ 261	\$ 270
100-100-0-25-62222-280.00	Dental	\$ 1,136	\$ 1,250
100-100-0-25-62222-290.00	Flex	\$ 183	\$ 189
100-100-0-25-62222-430.00	Repairs & Maintenance	\$ 1,000	\$ 1,000
100-100-0-25-62222-610.00	Supplies	\$ 1,900	\$ 1,900
100-100-0-25-62222-640.00	Texbooks	\$ 14,790	\$ 14,790
100-100-0-25-62222-670.00	Software	\$ 1,850	\$ 1,850
Total K-8 Elementary Library		\$ 219,537	\$ 220,960
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Plant Maintenance (K-8)			
100-100-0-25-62600-110.00	Salaries	\$ 38,750	\$ 40,107
100-100-0-25-62600-119.00	Support Staff	\$ 182,989	\$ 215,102
100-100-0-25-62600-120.00	Substitutes	\$ 10,000	\$ 15,525
100-100-0-25-62600-150.00	Supplemental Earnings	\$ -	\$ 20,000
100-100-0-25-62600-190.00	Health Buyout	\$ 5,000	\$ 5,000
100-100-0-25-62600-210.00	Health	\$ 63,951	\$ 52,973
100-100-0-25-62600-220.00	FICA	\$ 18,111	\$ 22,624
100-100-0-25-62600-230.00	Life	\$ 553	\$ 630
100-100-0-25-62600-240.00	Retirement	\$ 9,661	\$ 11,006
100-100-0-25-62600-250.00	Workers Comp	\$ 29,780	\$ 29,780
100-100-0-25-62600-260.00	UCC	\$ 697	\$ 810
100-100-0-25-62600-280.00	Dental	\$ 3,692	\$ 4,686
100-100-0-25-62600-290.00	Flex	\$ 456	\$ 537
100-100-0-25-62600-320.00	Professional Services	\$ 20,000	\$ 20,000
100-100-0-25-62600-411.00	Water & Sewer	\$ 9,744	\$ 9,744
100-100-0-25-62600-421.00	Garbage Removal	\$ 14,000	\$ 14,000
100-100-0-25-62600-430.00	Repairs & Maintenance	\$ 222,624	\$ 222,624
100-100-0-25-62600-435.00	Vehicle Maintenance	\$ 5,000	\$ 5,000
100-100-0-25-62600-520.00	Insurance	\$ 40,874	\$ 45,604
100-100-0-25-62600-610.00	Supplies	\$ 56,985	\$ 56,985
100-100-0-25-62600-621.00	Heating Fuel	\$ 71,786	\$ 71,786
100-100-0-25-62600-622.00	Electricity	\$ 119,579	\$ 119,579
100-100-0-25-62600-626.00	Gasoline	\$ 5,356	\$ 5,356
100-100-0-25-62600-710.00	Grounds Improvement	\$ 13,000	\$ 13,000

Budget Comparative Information

		FY 2013	Proposed FY 2014
100-100-0-25-62600-730.00	Equipment	\$ 16,000	\$ 16,000
Total K-8 Plant Maintenance		\$ 958,588	\$ 1,018,457
MIDDLE GENERAL INSTRUCTION (6-8)			
100-100-0-30-61100-110.00	Salaries	\$ 968,031	\$ 1,151,595
100-100-0-30-61100-120.00	Substitutes	\$ 30,000	\$ 37,338
100-100-0-30-61100-150.00	Supplemental Earnings	\$ 17,973	\$ 18,077
100-100-0-30-61100-190.00	Health Buyout	\$ 3,500	\$ 1,500
100-100-0-30-61100-210.00	Health	\$ 170,805	\$ 254,986
100-100-0-30-61100-220.00	FICA	\$ 77,992	\$ 92,451
100-100-0-30-61100-230.00	Life	\$ 1,908	\$ 2,282
100-100-0-30-61100-250.00	Workers Comp	\$ 6,301	\$ 6,301
100-100-0-30-61100-260.00	UCC	\$ 1,656	\$ 1,891
100-100-0-30-61100-280.00	Dental	\$ 8,805	\$ 11,246
100-100-0-30-61100-290.00	Flex	\$ 1,095	\$ 1,263
100-100-0-30-61100-320.00	Professional Services	\$ 800	\$ 800
100-100-0-30-61100-510.00	Homeless Transportation	\$ -	\$ 7,500
100-100-0-30-61100-580.00	Mileage	\$ 750	\$ 750
100-100-0-30-61100-581.00	Conferences	\$ 3,200	\$ 3,200
100-100-0-30-61100-610.01	General Supplies 6-8	\$ 10,880	\$ 12,880
100-100-0-30-61100-610.02	Supplies Visual Arts	\$ 2,000	\$ 2,000
100-100-0-30-61100-610.03	Supplies Phys Ed	\$ 1,600	\$ 1,600
100-100-0-30-61100-610.04	Supplies Math	\$ 2,600	\$ 2,600
100-100-0-30-61100-610.05	Design Technology	\$ 18,000	\$ 2,400
100-100-0-30-61100-610.06	FCS/Health	\$ 14,550	\$ 5,750
100-100-0-30-61100-612.00	Copier Paper	\$ 2,000	\$ 2,000
100-100-0-30-61100-640.00	Textbooks	\$ 20,000	\$ 18,000
100-100-0-30-61100-670.00	Software	\$ 1,000	\$ 1,000
100-100-0-30-61100-730.00	Equipment	\$ 6,362	\$ 6,362
100-100-0-30-61100-730.01	Equipment - Art Team	\$ 702	\$ 702
100-100-0-30-61100-730.03	Equipment Phys Ed	\$ 1,500	\$ 1,500
100-100-0-30-61100-810.00	Dues & Fees	\$ 1,220	\$ 1,220
100-100-0-30-61100-810.01	Dues & Fees - Art Team	\$ 1,020	\$ 1,020
Total Middle General Instruction		\$ 1,376,250	\$ 1,650,214
MIDDLE 504 SERVICES (6-8)			
100-100-0-30-61154-119.00	Support Staff		
100-100-0-30-61154-120.00	Temporary Coverage	\$ 3,430	\$ 3,430
100-100-0-30-61154-220.00	FICA	\$ 262	\$ 262
100-100-0-30-61154-320.00	Professional Services	\$ 86,719	\$ 86,719
100-100-0-30-61154-510.00	Transportation	\$ 5,000	\$ 5,000
100-100-0-30-61154-560.00	Tuition	\$ 20,000	\$ 20,000
Total Middle 504 Services		\$ 115,411	\$ 115,411
MIDDLE GUIDANCE (6-8)			
100-100-0-30-62120-110.00	Salaries	\$ 71,576	\$ 76,076
100-100-0-30-62120-150.00	Supplemental Earnings		\$ 1,093
100-100-0-30-62120-210.00	Health	\$ 5,922	\$ 6,673
100-100-0-30-62120-220.00	FICA	\$ 5,476	\$ 5,903
100-100-0-30-62120-230.00	Life	\$ 106	\$ 111

Budget Comparative Information

		FY 2013	Proposed FY 2014
100-100-0-30-62120-250.00	Workers Comp	\$ 1,200	\$ 1,200
100-100-0-30-62120-260.00	UCC	\$ 87	\$ 90
100-100-0-30-62120-280.00	Dental	\$ 568	\$ 625
100-100-0-30-62120-290.00	Flex	\$ 61	\$ 63
100-100-0-30-62120-320.00	Professional Services	\$ 1,000	\$ 1,000
100-100-0-30-62120-610.00	Supplies	\$ 2,250	\$ 2,250
100-100-0-30-62120-640.00	Texbooks	\$ 900	\$ 900
Total Middle Guidance		\$ 89,146	\$ 95,984
MIDDLE HEALTH (6-8)			
100-100-0-30-62130-119.00	Support Staff	\$ 30,938	\$ 32,581
100-100-0-30-62130-210.00	Health	\$ 12,737	\$ 14,364
100-100-0-30-62130-220.00	FICA	\$ 2,367	\$ 2,492
100-100-0-30-62130-230.00	Life	\$ 53	\$ 56
100-100-0-30-62130-240.00	Retirement	\$ 1,298	\$ 1,343
100-100-0-30-62130-250.00	Workers Comp	\$ 280	\$ 280
100-100-0-30-62130-260.00	UCC	\$ 87	\$ 90
100-100-0-30-62130-280.00	Dental	\$ 568	\$ 625
100-100-0-30-62130-290.00	Flex	\$ 61	\$ 63
100-100-0-30-62130-320.00	Professional Services	\$ 450	\$ 450
100-100-0-30-62130-580.00	Mileage	\$ 90	\$ 90
100-100-0-30-62130-610.00	Supplies	\$ 3,070	\$ 3,070
100-100-0-30-62130-640.00	Texbooks	\$ 400	\$ 400
100-100-0-30-62130-730.00	Equipment	\$ 405	\$ 405
100-100-0-30-62130-810.00	Dues & Fees	\$ 315	\$ 315
Total Middle Health		\$ 53,119	\$ 56,624
MIDDLE PSYCHOLOGICAL SERVICES (6-8)			
100-100-0-30-62140-320.01	M.Bloom LLC	\$ 37,582	\$ 37,582
Total HS Psychological Services		\$ 37,582	\$ 37,582
MIDDLE PRINCIPAL'S OFFICE (6-8)			
100-100-0-30-62410-110.00	Salaries	\$ 90,000	\$ 92,475
100-100-0-30-62410-210.00	Health	\$ 17,979	\$ 20,013
100-100-0-30-62410-220.00	FICA	\$ 6,885	\$ 7,074
100-100-0-30-62410-230.00	Life	\$ 477	\$ 501
100-100-0-30-62410-250.00	Workers Comp	\$ 1,200	\$ 1,200
100-100-0-30-62410-260.00	UCC	\$ 87	\$ 90
100-100-0-30-62410-280.00	Dental	\$ 568	\$ 625
100-100-0-30-62410-290.00	Flex	\$ 61	\$ 63
100-100-0-30-62410-320.00	Professional Services	\$ 2,000	\$ 2,000
100-100-0-30-62410-530.00	Communications	\$ 500	\$ 500
100-100-0-30-62410-580.00	Mileage	\$ 500	\$ 500
100-100-0-30-62410-581.00	Conferences	\$ 1,000	\$ 1,000
100-100-0-30-62410-610.00	Supplies	\$ 1,700	\$ 1,700
100-100-0-30-62410-640.00	Texbooks	\$ 500	\$ 500
100-100-0-30-62410-670.00	Software	\$ 500	\$ 500
100-100-0-30-62410-730.00	Equipment	\$ 2,700	\$ 1,900

Budget Comparative Information

		FY 2013	Proposed FY 2014
100-100-0-30-62410-810.00	Dues & Fees	\$ 2,100	\$ 2,200
	Total Middle Principal's Office	\$ 128,757	\$ 132,841
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HS GENERAL INSTRUCTION (9-12)			
100-100-3-30-61100-110.00	Salaries	\$ 2,136,940	\$ 2,218,572
100-100-3-30-61100-110.01	Buyout	\$ 57,812	\$ 57,812
100-100-3-30-61100-110.02	Buyout	\$ 14,202	\$ 14,202
100-100-3-30-61100-119.00	Support Staff	\$ 84,261	\$ 87,694
100-100-3-30-61100-120.00	Substitutes	\$ 60,240	\$ 62,047
100-100-3-30-61100-150.00	Supplemental Earnings	\$ 39,915	\$ 48,435
100-100-3-30-61100-190.00	Health Buyout	\$ 4,000	\$ 5,000
100-100-3-30-61100-210.00	Health	\$ 468,417	\$ 512,105
100-100-3-30-61100-220.00	FICA	\$ 183,400	\$ 190,773
100-100-3-30-61100-230.00	Life	\$ 4,275	\$ 4,320
100-100-3-30-61100-240.00	Retirement	\$ 3,318	\$ 3,435
100-100-3-30-61100-250.00	Workers Comp	\$ 19,690	\$ 19,690
100-100-3-30-61100-260.00	UCC	\$ 4,691	\$ 4,351
100-100-3-30-61100-280.00	Dental	\$ 22,438	\$ 23,743
100-100-3-30-61100-290.00	Flex	\$ 2,548	\$ 2,546
100-100-3-30-61100-320.02	Prof Svcs Visual Arts	\$ 400	\$ 400
100-100-3-30-61100-320.09	Prof Svcs F&CS	\$ 300	\$ 300
100-100-3-30-61100-320.12	Prof Svcs Arts/Music	\$ 5,770	\$ 5,770
100-100-3-30-61100-430.02	R&M Visual Arts	\$ 2,000	\$ 2,000
100-100-3-30-61100-430.09	R&M F&CS	\$ 2,000	\$ 2,000
100-100-3-30-61100-430.12	R&M Performing Arts/Music	\$ 700	\$ 700
100-100-3-30-61100-430.21	R&M Drivers Ed		\$ 300
100-100-3-30-61100-440.21	Rental Drivers Ed	\$ 5,700	\$ 5,000
100-100-3-30-61100-440.28	Rental Drama	\$ 5,056	\$ 5,056
100-100-3-30-61100-510.00	Homeless Transportation	\$ -	\$ 7,500
100-100-3-30-61100-530.28	Postage Drama	\$ 75	\$ 75
100-100-3-30-61100-540.28	Advertising Drama	\$ 300	\$ 300
100-100-3-30-61100-560.00	Virtual High School	\$ 3,500	\$ 3,500
100-100-3-30-61100-560.01	UVM Course		\$ 1,364
100-100-3-30-61100-560.03	VT Online Collaborative		\$ 4,000
100-100-3-30-61100-580.03	Mileage Business		\$ 200
100-100-3-30-61100-580.05	Mileage English	\$ 500	\$ 500
100-100-3-30-61100-580.06	Mileage World Language	\$ 1,100	\$ 1,100
100-100-3-30-61100-580.08	Mileage Phys Ed	\$ 1,000	\$ 1,000
100-100-3-30-61100-580.11	Mileage Math		\$ 900
100-100-3-30-61100-580.12	Mileage Perf Arts/Music	\$ 2,000	\$ 2,000
100-100-3-30-61100-580.15	Mileage Social Studies	\$ 500	\$ 1,500
100-100-3-30-61100-580.21	Mileage Drivers Ed	\$ 300	\$ 300
100-100-3-30-61100-610.00	Supplies	\$ 9,518	\$ 9,518
100-100-3-30-61100-610.02	Supplies Visual Arts	\$ 13,600	\$ 13,600
100-100-3-30-61100-610.03	Supplies Business Ed	\$ 1,751	\$ 1,751
100-100-3-30-61100-610.05	Supplies English/Lang Arts	\$ 1,000	\$ 1,000
100-100-3-30-61100-610.06	Supplies World Language	\$ 2,329	\$ 2,329
100-100-3-30-61100-610.08	Supplies Phys Ed	\$ 997	\$ 997
100-100-3-30-61100-610.09	Supplies F&CS	\$ 8,400	\$ 9,000
100-100-3-30-61100-610.11	Supplies Math	\$ 1,500	\$ 1,500
100-100-3-30-61100-610.12	Supplies Performing Arts/Music	\$ 900	\$ 900

Budget Comparative Information

		FY 2013	Proposed FY 2014
100-100-3-30-61100-610.13	Supplies Science	\$ 1,800	\$ 2,800
100-100-3-30-61100-610.15	Supplies Social Studies	\$ 250	\$ 250
100-100-3-30-61100-610.21	Supplies Drivers Ed	\$ 125	\$ 125
100-100-3-30-61100-610.28	Supplies Drama	\$ 2,000	\$ 2,000
100-100-3-30-61100-612.00	Copier Paper	\$ 11,000	\$ 11,000
100-100-3-30-61100-626.21	Gasoline Drivers Ed	\$ 6,000	\$ 6,000
100-100-3-30-61100-640.02	Textbooks Visual Arts	\$ 500	\$ 500
100-100-3-30-61100-640.05	Textbooks English/Lang Arts	\$ 11,700	\$ 11,700
100-100-3-30-61100-640.06	Textbooks World Language	\$ 7,000	\$ 7,000
100-100-3-30-61100-640.09	Textbooks F&CS	\$ 800	\$ -
100-100-3-30-61100-640.11	Textbooks Math	\$ 4,000	\$ 7,000
100-100-3-30-61100-640.12	Textbooks Performing Arts/Music	\$ 4,500	\$ 4,500
100-100-3-30-61100-640.13	Textbooks Science	\$ 4,900	\$ 4,900
100-100-3-30-61100-640.15	Textbooks Social Studies	\$ 7,712	\$ 7,712
100-100-3-30-61100-640.21	Textbooks Drivers Ed	\$ 380	\$ 380
100-100-3-30-61100-650.00	Audio Visual	\$ 800	\$ 800
100-100-3-30-61100-650.09	Audio Visual F&CS	\$ 550	\$ 550
100-100-3-30-61100-670.02	Software Visual Arts	\$ 1,000	\$ 1,000
100-100-3-30-61100-670.03	Software Business Ed	\$ 1,000	\$ 1,000
100-100-3-30-61100-670.11	Software Math	\$ 1,180	\$ 1,180
100-100-3-30-61100-670.13	Software Science	\$ 300	\$ 300
100-100-3-30-61100-730.00	Equipment General	\$ 7,900	\$ 7,900
100-100-3-30-61100-730.02	Equipment Visual Arts	\$ 2,700	\$ 2,700
100-100-3-30-61100-730.03	Equipment Business Ed	\$ 6,219	\$ 6,019
100-100-3-30-61100-730.05	Equipment Eng/Lang Arts	\$ 1,053	\$ 1,053
100-100-3-30-61100-730.06	Equipment World Language	\$ 3,500	\$ 3,500
100-100-3-30-61100-730.08	Equipment Phys Ed	\$ 3,500	\$ 3,500
100-100-3-30-61100-730.09	Equipment F&CS	\$ 3,000	\$ 3,000
100-100-3-30-61100-730.11	Equipment Math	\$ 500	\$ 500
100-100-3-30-61100-730.12	Equipment Perf Arts/Music	\$ 3,150	\$ 3,150
100-100-3-30-61100-730.13	Equipment Science	\$ 4,800	\$ 5,800
100-100-3-30-61100-730.15	Equipment Social Studies	\$ 4,700	\$ 3,700
100-100-3-30-61100-730.21	Equipment Drivers Ed	\$ 358	\$ 358
100-100-3-30-61100-730.24	Equipment Audio/Visual	\$ 1,808	\$ 1,808
100-100-3-30-61100-730.28	Equipment Drama	\$ 1,170	\$ 1,170
100-100-3-30-61100-810.03	Dues & Fees Business Ed	\$ 42	\$ 42
100-100-3-30-61100-810.05	Dues & Fees English/Lang Arts	\$ 4,820	\$ 4,820
100-100-3-30-61100-810.06	Dues & Fees World Language	\$ 100	\$ 100
100-100-3-30-61100-810.11	Dues & Fees Math	\$ 2,600	\$ 2,600
100-100-3-30-61100-810.12	Dues & Fees Perf Arts/Music	\$ 1,500	\$ 1,000
100-100-3-30-61100-810.13	Dues & Fees Science	\$ 1,125	\$ 1,125
100-100-3-30-61100-810.15	Dues & Fees Social Studies	\$ 2,800	\$ 2,800
100-100-3-30-61100-810.21	Dues & Fees Drivers Ed	\$ 300	\$ 200
100-100-3-30-61100-810.28	Dues & Fees Drama	\$ 500	\$ 500
Total HS Instruction		\$ 3,302,985	\$ 3,469,127
HS 504 SERVICES (9-12)			
100-100-3-30-61154-510.00	Transportation	\$ 2,000	\$ 2,000
100-100-3-30-61154-560.00	Tuition	\$ 15,750	\$ 15,750
Total HS 504 Services		\$ 17,750	\$ 17,750

Budget Comparative Information

		FY 2013	Proposed FY 2014
EXTRA CURRICULAR			
100-100-3-30-61400-110.20	Salaries	\$ 41,200	\$ 42,672
100-100-3-30-61400-150.20	Supplemental Earnings	\$ 209,900	\$ 216,744
100-100-3-30-61400-190.20	Health Buyout	\$ 1,500	\$ 1,500
100-100-3-30-61400-220.20	FICA	\$ 19,324	\$ 19,960
100-100-3-30-61400-230.20	Life	\$ 185	\$ 194
100-100-3-30-61400-240.20	Retirement	\$ 1,154	\$ 1,194
100-100-3-30-61400-250.20	Workers Comp	\$ 2,476	\$ 2,476
100-100-3-30-61400-260.20	UCC	\$ 87	\$ 90
100-100-3-30-61400-290.20	Flex	\$ 30	\$ 44
100-100-3-30-61400-320.20	Professional Svcs	\$ 25,710	\$ 25,710
100-100-3-30-61400-430.20	Repairs & Maintenance	\$ 4,300	\$ 4,300
100-100-3-30-61400-440.20	Rentals	\$ 18,000	\$ 18,000
100-100-3-30-61400-510.20	Transportation	\$ 67,000	\$ 67,000
100-100-3-30-61400-580.20	Mileage	\$ 3,200	\$ 3,200
100-100-3-30-61400-610.20	Supplies	\$ 30,000	\$ 30,000
100-100-3-30-61400-640.20	Textbooks	\$ 800	\$ 800
100-100-3-30-61400-670.20	Software	\$ 1,100	\$ 1,100
100-100-3-30-61400-730.20	Equipment	\$ 45,457	\$ 45,457
100-100-3-30-61400-810.20	Dues & Fees	\$ 38,000	\$ 38,000
	Total Extra Curricular	\$ 509,423	\$ 518,441
HS GUIDANCE (9-12)			
100-100-3-30-62120-110.00	Salaries	\$ 209,882	\$ 216,595
100-100-3-30-62120-110.02	Buyout	\$ 14,566	\$ 14,566
100-100-3-30-62120-119.00	Support Staff	\$ 58,498	\$ 26,980
100-100-3-30-62120-150.00	Supplemental Earnings	\$ 10,944	\$ 12,830
100-100-3-30-62120-210.00	Health	\$ 68,756	\$ 64,849
100-100-3-30-62120-220.00	FICA	\$ 22,483	\$ 20,729
100-100-3-30-62120-230.00	Life	\$ 494	\$ 461
100-100-3-30-62120-240.00	Retirement	\$ 2,524	\$ 1,112
100-100-3-30-62120-250.00	Workers Comp	\$ 3,017	\$ 3,017
100-100-3-30-62120-260.00	UCC	\$ 523	\$ 450
100-100-3-30-62120-280.00	Dental	\$ 2,840	\$ 2,499
100-100-3-30-62120-290.00	Flex	\$ 346	\$ 295
100-100-3-30-62120-320.00	Professional Services	\$ 1,500	\$ 200
100-100-3-30-62120-440.00	Rentals	\$ 2,300	\$ -
100-100-3-30-62120-530.00	Communications	\$ 700	\$ 700
100-100-3-30-62120-550.00	Printing	\$ 2,100	\$ 1,100
100-100-3-30-62120-580.00	Mileage	\$ 200	\$ 200
100-100-3-30-62120-610.00	Supplies	\$ 2,000	\$ 4,000
100-100-3-30-62120-640.00	Textbooks	\$ 300	\$ 300
100-100-3-30-62120-730.00	Equipment	\$ 2,465	\$ 2,465
100-100-3-30-62120-810.00	Dues & Fees	\$ 6,000	\$ 6,000
100-100-3-30-62120-810.01	Graduation Dues & Fees		\$ 6,600
	Total HS Guidance	\$ 412,438	\$ 385,948
HS HEALTH (9-12)			
100-100-3-30-62130-110.00	Salaries	\$ 101,082	\$ 87,262

Budget Comparative Information

		FY 2013	Proposed FY 2014
100-100-3-30-62130-120.00	Substitutes		\$ 1,500
100-100-3-30-62130-210.00	Health	\$ 31,462	\$ 35,445
100-100-3-30-62130-220.00	FICA	\$ 7,733	\$ 6,676
100-100-3-30-62130-230.00	Life	\$ 212	\$ 223
100-100-3-30-62130-250.00	Workers Comp	\$ 705	\$ 705
100-100-3-30-62130-260.00	UCC	\$ 174	\$ 180
100-100-3-30-62130-280.00	Dental	\$ 1,136	\$ 1,250
100-100-3-30-62130-290.00	Flex	\$ 122	\$ 126
100-100-3-30-62130-320.00	Professional Services	\$ 350	\$ 350
100-100-3-30-62130-580.00	Mileage	\$ 500	\$ 500
100-100-3-30-62130-610.00	Supplies	\$ 1,900	\$ 1,900
100-100-3-30-62130-640.00	Texbooks	\$ 250	\$ -
100-100-3-30-62130-670.00	Software	\$ -	\$ 250
100-100-3-30-62130-730.00	Equipment	\$ 900	\$ 900
100-100-3-30-62130-810.00	Dues & Fees	\$ 270	\$ 280
Total HS Health		\$ 146,796	\$ 137,547
HS LIBRARY (9-12)			
100-100-3-30-62222-110.00	Salaries	\$ 54,634	\$ 56,156
100-100-3-30-62222-119.00	Support Staff	\$ 16,742	\$ -
100-100-3-30-62222-210.00	Health	\$ 12,402	\$ 6,673
100-100-3-30-62222-220.00	FICA	\$ 5,460	\$ 4,296
100-100-3-30-62222-230.00	Life	\$ 159	\$ 111
100-100-3-30-62222-240.00	Retirement	\$ 748	\$ -
100-100-3-30-62222-250.00	Workers Comp	\$ 658	\$ 658
100-100-3-30-62222-260.00	UCC	\$ 174	\$ 90
100-100-3-30-62222-280.00	Dental	\$ 1,136	\$ 625
100-100-3-30-62222-290.00	Flex	\$ 122	\$ 63
100-100-3-30-62222-610.00	Supplies	\$ 500	\$ 500
100-100-3-30-62222-640.00	Texbooks	\$ 16,936	\$ 16,936
100-100-3-30-62222-670.00	Software	\$ 644	\$ 644
100-100-3-30-62222-730.00	Equipment	\$ 3,735	\$ 3,735
100-100-3-30-62222-810.00	Dues & Fees	\$ 160	\$ 160
Total HS Library		\$ 114,210	\$ 90,647
HS PRINCIPAL'S OFFICE (9-12)			
100-100-3-30-62410-110.00	Salaries	\$ 170,471	\$ 175,159
100-100-3-30-62410-210.00	Health	\$ 21,277	\$ 23,966
100-100-3-30-62410-220.00	FICA	\$ 13,041	\$ 13,400
100-100-3-30-62410-230.00	Life	\$ 953	\$ 1,002
100-100-3-30-62410-250.00	Workers Comp	\$ 2,576	\$ 2,576
100-100-3-30-62410-260.00	UCC	\$ 174	\$ 180
100-100-3-30-62410-280.00	Dental	\$ 1,136	\$ 1,250
100-100-3-30-62410-290.00	Flex	\$ 122	\$ 126
100-100-3-30-62410-320.00	Professional Services	\$ 3,000	\$ 3,000
100-100-3-30-62410-530.00	Communications	\$ 8,280	\$ 8,280
100-100-3-30-62410-580.00	Mileage	\$ 1,350	\$ 1,350
100-100-3-30-62410-581.00	Conferences	\$ 2,000	\$ 2,000
100-100-3-30-62410-610.00	Supplies	\$ 3,500	\$ 3,500
100-100-3-30-62410-640.00	Texbooks	\$ 270	\$ 270

Budget Comparative Information

		FY 2013	Proposed FY 2014
100-100-3-30-62410-730.00	Equipment	\$ 1,484	\$ 1,485
100-100-3-30-62410-810.00	Dues & Fees	\$ 4,400	\$ 8,000
Total HS Principal's Office		\$ 234,034	\$ 245,544
9-12 PLANT MAINTENANCE			
100-100-3-30-62600-110.00	Salaries	\$ 38,750	\$ 40,107
100-100-3-30-62600-119.00	Support Staff	\$ 287,560	\$ 270,137
100-100-3-30-62600-120.00	Substitutes	\$ 15,000	\$ 15,525
100-100-3-30-62600-150.00	Supplemental Earnings	\$ 16,500	\$ 17,750
100-100-3-30-62600-190.00	Health Buyout	\$ 2,000	\$ 3,000
100-100-3-30-62600-210.00	Health	\$ 85,407	\$ 86,844
100-100-3-30-62600-220.00	FICA	\$ 27,525	\$ 26,509
100-100-3-30-62600-230.00	Life	\$ 658	\$ 630
100-100-3-30-62600-240.00	Retirement	\$ 13,785	\$ 13,194
100-100-3-30-62600-250.00	Workers Comp	\$ 23,059	\$ 23,059
100-100-3-30-62600-260.00	UCC	\$ 1,110	\$ 1,053
100-100-3-30-62600-280.00	Dental	\$ 4,260	\$ 4,061
100-100-3-30-62600-290.00	Flex	\$ 623	\$ 581
100-100-3-30-62600-320.00	Professional Services	\$ 15,500	\$ 15,500
100-100-3-30-62600-411.00	Water & Sewer	\$ 9,000	\$ 9,000
100-100-3-30-62600-421.00	Garbage Removal	\$ 14,335	\$ 14,335
100-100-3-30-62600-430.00	Repairs & Maintenance	\$ 236,225	\$ 236,225
100-100-3-30-62600-435.00	Vehicle Maintenance	\$ 7,355	\$ 7,355
100-100-3-30-62600-440.00	Rentals	\$ 5,000	\$ 5,000
100-100-3-30-62600-520.00	Insurance	\$ 40,874	\$ 45,605
100-100-3-30-62600-580.00	Mileage	\$ 2,000	\$ 2,000
100-100-3-30-62600-610.00	Supplies	\$ 54,583	\$ 54,583
100-100-3-30-62600-621.00	Heating Fuel	\$ 57,900	\$ 57,900
100-100-3-30-62600-622.00	Electricity	\$ 120,170	\$ 120,170
100-100-3-30-62600-626.00	Gasoline	\$ 7,204	\$ 7,204
100-100-3-30-62600-710.00	Grounds Improvement	\$ 17,572	\$ 16,572
100-100-3-30-62600-730.00	Equipment	\$ 16,000	\$ 16,000
Total 9-12 Plant Maintenance		\$ 1,119,955	\$ 1,109,898
SPED COORDINATORS OFFICE (District-Wide)			
100-200-0-00-62420-110.00	Salaries	\$ 96,013	\$ 98,653
100-200-0-00-62420-119.00	Support Staff	\$ 31,139	\$ 32,292
100-200-0-00-62420-210.00	Health	\$ 25,949	\$ 29,247
100-200-0-00-62420-220.00	FICA	\$ 9,727	\$ 10,017
100-200-0-00-62420-230.00	Life	\$ 848	\$ 872
100-200-0-00-62420-240.00	Retirement	\$ 1,880	\$ 1,946
100-200-0-00-62420-250.00	Workers Comp	\$ 2,370	\$ 2,370
100-200-0-00-62420-260.00	UCC	\$ 174	\$ 180
100-200-0-00-62420-280.00	Dental	\$ 1,136	\$ 1,250
100-200-0-00-62420-290.00	Flex	\$ 122	\$ 126
100-200-0-00-62420-320.00	Professional Services	\$ 4,000	\$ 4,000
100-200-0-00-62420-360.00	Legal Services	\$ 10,000	\$ 10,000
100-200-0-00-62420-430.00	Repairs & Maintenance	\$ 500	\$ 500
100-200-0-00-62420-530.00	Communications	\$ 3,300	\$ 3,300
100-200-0-00-62420-531.00	Telephone	\$ 1,830	\$ 1,830

Budget Comparative Information

		FY 2013	Proposed FY 2014
100-200-0-00-62420-540.00	Advertising	\$ 4,600	\$ 4,600
100-200-0-00-62420-580.00	Mileage	\$ 1,250	\$ 1,250
100-200-0-00-62420-581.00	Conferences	\$ 2,500	\$ 2,500
100-200-0-00-62420-610.00	Supplies	\$ 2,500	\$ 2,500
100-200-0-00-62420-612.00	Copier Paper	\$ 1,500	\$ 1,500
100-200-0-00-62420-640.00	Textbooks	\$ 250	\$ 250
100-200-0-00-62420-670.00	Software	\$ 3,200	\$ 3,200
100-200-0-00-62420-730.00	Equipment	\$ 1,600	\$ 1,600
100-200-0-00-62420-810.00	Dues & Fees	\$ 600	\$ 600
Total Sped Coordinators Office		\$ 206,988	\$ 214,583
SPED ELEMENTARY INSTRUCTION (K-5)			
100-200-0-10-61200-110.00	Salaries	\$ 600,876	\$ 527,251
100-200-0-10-61200-119.00	Support Staff	\$ 465,515	\$ 494,140
100-200-0-10-61200-120.00	Substitutes	\$ 24,000	\$ 24,720
100-200-0-10-61200-150.00	Supplemental Earnings	\$ 21,365	\$ 22,113
100-200-0-10-61200-190.00	Health Buyout	\$ 19,000	\$ 11,000
100-200-0-10-61200-210.00	Health	\$ 307,238	\$ 349,446
100-200-0-10-61200-220.00	FICA	\$ 86,503	\$ 82,561
100-200-0-10-61200-230.00	Life	\$ 2,742	\$ 2,699
100-200-0-10-61200-240.00	Retirement	\$ 18,947	\$ 20,621
100-200-0-10-61200-250.00	Workers Comp	\$ 13,100	\$ 13,100
100-200-0-10-61200-260.00	UCC	\$ 3,529	\$ 3,466
100-200-0-10-61200-280.00	Dental	\$ 19,030	\$ 20,931
100-200-0-10-61200-290.00	Flex	\$ 2,467	\$ 2,431
100-200-0-10-61200-510.00	Outplaced Transportation	\$ 49,957	\$ 54,453
100-200-0-10-61200-531.00	Telephone	\$ 800	\$ 800
100-200-0-10-61200-560.00	Outplaced Tuition	\$ 249,150	\$ 271,574
100-200-0-10-61200-580.00	Mileage	\$ 2,000	\$ 2,000
100-200-0-10-61200-610.00	Supplies	\$ 6,000	\$ 6,000
100-200-0-10-61200-640.00	Textbooks	\$ 5,500	\$ 5,500
100-200-0-10-61200-670.00	Software	\$ 1,000	\$ 4,500
100-200-0-10-61200-730.00	Equipment	\$ 7,100	\$ 3,600
Total Sped Elementary Instruction		\$ 1,905,818	\$ 1,922,905
SPED ELEMENTARY GUIDANCE & SOCIAL SERVICES (K-5)			
100-200-0-10-62120-320.00	Professional Services	\$ 36,019	\$ 39,261
Total Sped Elementary Guidance & Social Services		\$ 36,019	\$ 39,261
SPED ELEMENTARY HEALTH SERVICES (K-5)			
100-200-0-10-62130-320.00	Professional Services	\$ 65,914	\$ -
Total Sped Elementary Health Services		\$ 65,914	\$ -
SPED ELEMENTARY PSYCHOLOGICAL SERVICES (K-5)			
100-200-0-10-62140-110.00	Salaries	\$ 22,382	\$ 11,053
100-200-0-10-62140-220.00	FICA	\$ 1,712	\$ 846
100-200-0-10-62140-320.00	Professional Services		\$ 12,000
100-200-0-10-62140-610.00	Supplies	\$ 541	\$ 541
Total Sped Elementary Psychological Services		\$ 24,635	\$ 24,440

Budget Comparative Information

		FY 2013		Proposed FY 2014
SPED ELEMENTARY SPEECH & AUDIOLOGY (K-5)				
100-200-0-10-62150-110.00	Salaries	\$ 200,431	\$	143,248
100-200-0-10-62150-150.00	Supplemental Earnings		\$	500
100-200-0-10-62150-190.00	Health Buyout	\$ 300	\$	1,000
100-200-0-10-62150-210.00	Health	\$ 33,712	\$	26,231
100-200-0-10-62150-220.00	FICA	\$ 15,356	\$	11,073
100-200-0-10-62150-230.00	Life	\$ 350	\$	334
100-200-0-10-62150-250.00	Workers Comp	\$ 2,148	\$	2,148
100-200-0-10-62150-260.00	UCC	\$ 288	\$	270
100-200-0-10-62150-280.00	Dental	\$ 1,875	\$	1,874
100-200-0-10-62150-290.00	Flex	\$ 201	\$	189
100-200-0-10-62150-320.00	Professional Services	\$ 2,244	\$	2,244
100-200-0-10-62150-580.00	Mileage	\$ 103	\$	103
100-200-0-10-62150-610.00	Supplies	\$ 1,803	\$	1,803
100-200-0-10-62150-730.00	Equipment	\$ 463	\$	463
	Total Sped Elementary Speech & Audiology	\$ 259,274	\$	191,480
SPED ELEMENTARY OCCUPATIONAL THERAPIST (K-5)				
100-200-0-10-62160-110.00	Salaries	\$ 39,830	\$	39,830
100-200-0-10-62160-220.00	FICA	\$ 3,047	\$	3,047
100-200-0-10-62160-610.00	Supplies	\$ 455	\$	455
100-200-0-10-62160-730.00	Equipment	\$ 410	\$	410
	Total Sped Elementary Occupational Therapist	\$ 43,742	\$	43,742
SPED ELEMENTARY PHYSICAL THERAPIST (K-5)				
100-200-0-10-62190-320.00	Professional Services	\$ 10,720	\$	10,720
100-200-0-10-62190-610.00	Supplies	\$ 113	\$	113
100-200-0-10-62190-730.00	Equipment	\$ 102	\$	102
	Total Sped Elementary Physical Therapist	\$ 10,935	\$	10,935
SPED MIDDLE INSTRUCTION (6-8)				
100-200-0-30-61200-110.00	Salaries	\$ 318,476	\$	311,039
100-200-0-30-61200-119.00	Support Staff	\$ 36,377	\$	102,852
100-200-0-30-61200-120.00	Substitutes	\$ -	\$	24,720
100-200-0-30-61200-150.00	Stipends	\$ -	\$	4,000
100-200-0-30-61200-190.00	Health Buyout	\$ 4,500	\$	4,000
100-200-0-30-61200-210.00	Health	\$ 43,618	\$	164,335
100-200-0-30-61200-220.00	FICA	\$ 27,491	\$	34,166
100-200-0-30-61200-230.00	Life	\$ 741	\$	951
100-200-0-30-61200-240.00	Retirement	\$ 1,504	\$	1,579
100-200-0-30-61200-250.00	Workers Comp	\$ 3,206	\$	3,206
100-200-0-30-61200-260.00	UCC	\$ 697	\$	1,046
100-200-0-30-61200-280.00	Dental	\$ 2,840	\$	3,408
100-200-0-30-61200-290.00	Flex	\$ 487	\$	730
100-200-0-30-61200-320.00	Professional Services	\$ 1,000	\$	1,000
100-200-0-30-61200-510.00	Outplaced Transportation	\$ 51,007	\$	55,598
100-200-0-30-61200-530.00	ISDN Service		\$	2,500
100-200-0-30-61200-560.00	Outplaced Tuition	\$ 167,578	\$	182,660
100-200-0-30-61200-580.00	Mileage	\$ 2,225	\$	2,225
100-200-0-30-61200-610.00	Supplies	\$ 2,500	\$	2,500

Budget Comparative Information

		FY 2013	Proposed FY 2014
100-200-0-30-61200-640.00	Textbooks	\$ 500	\$ 500
100-200-0-30-61200-730.00	Equipment	\$ 2,100	\$ 2,100
	Total Sped Middle Instruction	\$ 666,847	\$ 905,114
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SPED MIDDLE GUIDANCE & SOCIAL SERVICES (6-8)			
100-200-0-30-62120-320.00	Professional Services	\$ 36,019	\$ 39,261
	Total Sped Middle Guidance & Social Services	\$ 36,019	\$ 39,261
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SPED MIDDLE HEALTH SERVICES (6-8)			
100-200-0-30-62130-320.00	Professional Services	\$ 20,500	\$ 89,006
	Total Sped Middle Health Services	\$ 20,500	\$ 89,006
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SPED MIDDLE PSYCHOLOGICAL SERVICES (6-8)			
100-200-0-30-62140-110.00	Salaries	\$ 7,500	\$ 7,500
100-200-0-30-62140-220.00	FICA	\$ 574	\$ 574
100-200-0-30-62140-320.00	Professional Services		\$ 10,000
100-200-0-30-62140-610.00	Supplies	\$ 160	\$ 160
	Total Sped Middle Psychological Services	\$ 8,234	\$ 18,234
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SPED MIDDLE SPEECH & AUDIOLOGY (6-8)			
100-200-0-30-62150-110.00	Salaries	\$ 23,700	\$ 118,922
100-200-0-30-62150-150.00	Supplemental Earnings		\$ 500
100-200-0-30-62150-210.00	Health	\$ 2,961	\$ 30,699
100-200-0-30-62150-220.00	FICA	\$ 1,813	\$ 9,136
100-200-0-30-62150-230.00	Life	\$ 53	\$ 196
100-200-0-30-62150-250.00	Workers Comp	\$ 209	\$ 209
100-200-0-30-62150-260.00	UCC	\$ 44	\$ 162
100-200-0-30-62150-280.00	Dental	\$ 284	\$ 1,250
100-200-0-30-62150-290.00	Flex	\$ 30	\$ 114
100-200-0-30-62150-320.00	Professional Services	\$ 1,500	\$ 1,500
100-200-0-30-62150-580.00	Mileage	\$ 100	\$ 100
100-200-0-30-62150-610.00	Supplies	\$ 700	\$ 700
100-200-0-30-62150-730.00	Equipment	\$ 250	\$ 250
	Total Sped Middle Speech & Audiology	\$ 31,644	\$ 163,738
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SPED MIDDLE OCCUPATIONAL THERAPIST (6-8)			
100-200-0-30-62160-110.00	Salaries	\$ 11,000	\$ 11,000
100-200-0-30-62160-220.00	FICA	\$ 842	\$ 842
	Total Sped Middle Occupational Therapist	\$ 11,842	\$ 11,842
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SPED MIDDLE PHYSICAL THERAPIST (6-8)			
100-200-0-30-62190-320.00	Professional Services	\$ 3,000	\$ 3,000
	Total Sped Middle Physical Therapist	\$ 3,000	\$ 3,000
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SPED HS INSTRUCTION (9-12)			
100-200-3-30-61200-110.00	Salaries	\$ 314,761	\$ 367,532
100-200-3-30-61200-119.00	Support Staff	\$ 29,986	\$ 82,146
100-200-3-30-61200-120.00	Substitutes	\$ 20,080	\$ 20,682
100-200-3-30-61200-150.00	Supplemental Earnings	\$ 12,785	\$ 13,232
100-200-3-30-61200-190.00	Health Buyout	\$ 1,000	\$ 4,500

Budget Comparative Information

		FY 2013	Proposed FY 2014
100-200-3-30-61200-210.00	Health	\$ 80,139	\$ 108,825
100-200-3-30-61200-220.00	FICA	\$ 28,964	\$ 37,339
100-200-3-30-61200-230.00	Life	\$ 688	\$ 891
100-200-3-30-61200-240.00	Retirement	\$ 1,247	\$ 3,848
100-200-3-30-61200-250.00	Workers Comp	\$ 6,250	\$ 6,250
100-200-3-30-61200-260.00	UCC	\$ 653	\$ 945
100-200-3-30-61200-280.00	Dental	\$ 3,692	\$ 4,998
100-200-3-30-61200-290.00	Flex	\$ 457	\$ 663
100-200-3-30-61200-320.00	Professional Services	\$ 3,909	\$ 3,909
100-200-3-30-61200-510.00	Outplaced Transportation	\$ 106,972	\$ 116,599
100-200-3-30-61200-560.00	Outplaced Tuition	\$ 486,239	\$ 530,001
100-200-3-30-61200-580.00	Mileage	\$ 5,000	\$ 5,000
100-200-3-30-61200-610.00	Supplies	\$ 5,000	\$ 5,000
100-200-3-30-61200-640.00	Textbooks	\$ 2,000	\$ 2,000
100-200-3-30-61200-730.00	Equipment	\$ 5,000	\$ 5,000
Total Sped HS Instruction		\$ 1,114,822	\$ 1,319,360
SPED HIGH SCHOOL GUIDANCE & SOCIAL SERVICES (9-12)			
100-200-3-30-62120-320.00	Professional Services	\$ 72,036	\$ 78,519
Total Sped HS Guidance & Social Services		\$ 72,036	\$ 78,519
SPED HIGH SCHOOL HEALTH SERVICES (9-12)			
100-200-3-30-62130-320.00	Professional Services	\$ 45,414	\$ 45,414
Total Sped HS Health Services		\$ 45,414	\$ 45,414
SPED HIGH SCHOOL PSYCHOLOGICAL SERVICES (9-12)			
100-200-3-30-62140-110.00	Salaries	\$ 14,882	\$ 14,882
100-200-3-30-62140-220.00	FICA	\$ 1,138	\$ 1,138
100-200-3-30-62140-610.00	Supplies	\$ 164	\$ 164
Total Sped HS Psychological Services		\$ 16,184	\$ 16,184
SPED HIGH SCHOOL SPEECH & AUDIOLOGY (9-12)			
100-200-3-30-62150-110.00	Salaries	\$ 23,700	\$ 62,938
100-200-3-30-62150-110.01	Buyout	\$ 11,652	\$ 11,652
100-200-3-30-62150-150.00	Stipends	\$ -	\$ 3,000
100-200-3-30-62150-210.00	Health	\$ 2,961	\$ 6,673
100-200-3-30-62150-220.00	FICA	\$ 2,704	\$ 5,897
100-200-3-30-62150-230.00	Life	\$ 53	\$ 111
100-200-3-30-62150-250.00	Workers Comp	\$ 420	\$ 420
100-200-3-30-62150-260.00	UCC	\$ 44	\$ 90
100-200-3-30-62150-280.00	Dental	\$ 284	\$ 625
100-200-3-30-62150-290.00	Flex	\$ 30	\$ 63
100-200-3-30-62150-320.00	Professional Services	\$ 1,871	\$ 1,871
100-200-3-30-62150-580.00	Mileage	\$ 106	\$ 106
100-200-3-30-62150-610.00	Supplies	\$ 742	\$ 742
100-200-3-30-62150-730.00	Equipment	\$ 306	\$ 306
Total Sped HS Speech & Audiology		\$ 44,873	\$ 94,494
SPED HIGH SCHOOL OCCUPATIONAL THERAPIST (9-12)			
100-200-3-30-62160-110.00	Salaries	\$ 17,629	\$ 17,629

Budget Comparative Information

		FY 2013		Proposed FY 2014
100-200-3-30-62160-220.00	FICA	\$ 1,349	\$	1,349
Total Sped HS Occupational Therapist		\$ 18,978	\$	18,978
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SPED HIGH SCHOOL PHYSICAL THERAPIST (9-12)				
100-200-3-30-62190-320.00	Professional Services	\$ 4,704	\$	4,704
Total Sped HS Physical Therapist		\$ 4,704	\$	4,704
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SPED EEE INSTRUCTION				
100-204-0-10-61200-110.00	Salaries	\$ 196,167	\$	242,404
100-204-0-10-61200-119.00	Support Staff	\$ 44,043	\$	78,541
100-204-0-10-61200-120.00	Substitutes	\$ -	\$	10,000
100-204-0-10-61200-150.00	Supplemental Earnings	\$ 3,250	\$	16,000
100-204-0-10-61200-190.00	Health Buyout	\$ 3,000	\$	2,500
100-204-0-10-61200-210.00	Health	\$ 28,568	\$	88,659
100-204-0-10-61200-220.00	FICA	\$ 18,854	\$	26,733
100-204-0-10-61200-230.00	Life	\$ 529	\$	724
100-204-0-10-61200-240.00	Retirement	\$ 1,516	\$	2,940
100-204-0-10-61200-250.00	Workers Comp	\$ 2,026	\$	2,026
100-204-0-10-61200-260.00	UCC	\$ 610	\$	810
100-204-0-10-61200-280.00	Dental	\$ 2,272	\$	3,748
100-204-0-10-61200-290.00	Flex	\$ 396	\$	537
100-204-0-10-61200-320.00	Professional Services	\$ 30,000	\$	30,000
100-204-0-10-61200-531.00	Telephone	\$ 103	\$	103
100-204-0-10-61200-580.00	Mileage	\$ 618	\$	618
100-204-0-10-61200-610.00	Supplies	\$ 2,000	\$	4,000
100-204-0-10-61200-730.00	Equipment	\$ 540	\$	1,080
Total Sped EEE Instruction		\$ 334,492	\$	511,423
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SPED EEE SPEECH & AUDIOLOGY				
100-204-0-10-62150-110.00	Salaries	\$ 104,794	\$	24,462
100-204-0-10-62150-150.00	Supplemental Earnings	\$ 3,408	\$	3,527
100-204-0-10-62150-190.00	Health Buyout	\$ 700	\$	-
100-204-0-10-62150-210.00	Health	\$ 9,313	\$	-
100-204-0-10-62150-220.00	FICA	\$ 8,331	\$	2,141
100-204-0-10-62150-230.00	Life	\$ 159	\$	-
100-204-0-10-62150-250.00	Workers Comp	\$ 1,023	\$	1,023
100-204-0-10-62150-260.00	UCC	\$ 131	\$	-
100-204-0-10-62150-280.00	Dental	\$ 1,136	\$	-
100-204-0-10-62150-290.00	Flex	\$ 91	\$	-
100-204-0-10-62150-580.00	Mileage	\$ 220	\$	220
Total Sped EEE Speech & Audiology		\$ 129,306	\$	31,373
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SPED EEE OCCUPATIONAL THERAPIST				
100-204-0-10-62160-110.00	Salaries	\$ 28,065	\$	28,065
100-204-0-10-62160-220.00	FICA	\$ 2,147	\$	2,147
Total Sped EEE Occupational Therapist		\$ 30,212	\$	30,212
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SPED EEE PHYSICAL THERAPIST				
100-204-0-10-62190-110.00	Salaries	\$ 9,958	\$	9,958
100-204-0-10-62190-220.00	FICA	\$ 762	\$	762

Budget Comparative Information

	FY 2013	Proposed FY 2014
Total Sped EEE Physical Therapist	\$ 10,720	\$ 10,720
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VOCATIONAL EDUCATION		
100-300-0-30-61300-568.00 Tech Ed On Behalf Payment	\$ 481,522	\$ 539,112
100-300-0-30-61300-569.00 Tech Ed District Payment	\$ 446,153	\$ 502,021
Total Vocational Ed	\$ 927,675	\$ 1,041,133
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Total Expenditure Budget	\$ 23,286,993	\$ 24,809,084
Total Expenditure Increase	\$ 652,844	\$ 1,522,091
Total % Increase	2.88%	6.54%

LICENSES, FEES & PERMITS

Marriage License	\$55.00
Certified Copies of Vital Records (Birth, Death, Marriage).....	\$10.00
Burn Permit (visit www.milton.govoffice2.com to fill out permit form)	Free
Recording of Land Records, Liens, Name Changes	per page \$10.00
Dog License	S/N \$8.00 Un-S/N \$12.00

All dogs 6 months or older shall be registered on or before April 1st of each year. Proof of Rabies Vaccination must be presented at time of registration.

Zoning Permit

New Construction – Residential	\$300 + .04 per sq. ft.
- Commercial / Industrial.....	\$500 + .10 per sq. ft.
- Multifamily.....	\$200/D.U. & .04 per sq. ft.
- Elderly Housing Complex.....	\$150/D.U. & .04 per sq. ft.
Alteration – Garages, swimming pools, sheds or accessory structures	
- Residential.....	\$40.00
- Commercial / Industrial	\$50.00
Renewal of Permits – Residential.....	\$40.00
- Commercial / Industrial	\$50.00
Certificate of Compliance/Occupancy.....	\$25.00

****Permits are required for all construction (residential and commercial / industrial) and change of use

*****Please be advised that a “**CERTIFICATE OF COMPLIANCE/OCCUPANCY**” is required at the completion of all construction for ALL ZONING PERMITS ISSUED. This inspection shall be requested by the owner or applicant upon completion.

Development Review Board

Boundary Line Adjustment.....	\$75/lot & \$75/warning
Appeal, Variance or Conditional Use.....	\$150.00 & \$75/warning
Sketch Plan Review.....	\$100.00
Site Plan.....	\$300.00
Minor Subdivision/PUD-Res (1 - 6 units).....	\$500 + \$50 per unit & \$75/warning
Major Subdivision/PUD-Res (7 + units).....	\$1000 + \$50 per unit & \$75/warning
Abutters Fee.....	\$2/abutter – all applications
PUD (Planned Unit Development).....	\$1000 & \$50 per unit & 75/warning
Minor amendments.....	\$50 & \$75/warning (subdivisions only)
Major amendments.....	\$100 & \$75/warning (subdivisions only)
Highway Access Permit.....	\$20.00
Impact Fees (Residential).....	\$4,250.00
Impact Fees (Elderly housing units, and 1 bedroom units)	\$3,188.00

Water / Wastewater

Sewer Permit/Hook-up (residential).....	\$2,500.00
Water Permit /Hook-up (residential)	Cost of Water Meter ~\$303.80 + \$1,710.00
Water Usage Rate -	\$23.64/Unit/Qtr + \$3.16/1000 Gallons
Wastewater Usage Rate -	\$38.72/Unit/Qtr + \$3.98/1000 Gallons